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Forum

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Sir Arthur Salter

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THE CANADIAN FORUM

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THE CANADIAN FORUM

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WE should like to take advantage of this opportunity to express our appreciation of the graceful and generous good wishes extended to us in these columns last month by the editorial committee and the publishers of the FORUM. Canadians owe no little gratitude to the group who gave unstintingly of their time—and in many cases this in spite of the heavy demands of other duties—in order to maintain its high editorial standards. And no less gratitude is due to the firm of publishers who made possible the continuance of the CANADIAN FORUM through their liberal and altruistic generosity. The standing record of past issues expresses the extent of these debts more adequately and more permanently than we can hope to; and the FORUM's standards of brilliance and sincerity present a challenge and a responsibility which we cannot accept light-heartedly.

* * *

AMONG the signs of an approaching election are the restoration of civil service pay cuts and the inauguration of a programme of public works. And perhaps another shadow of a coming poll is the rumour that the CANADIAN FORUM is to be published in the future by a politically partisan organization. We are anxious to give the lie to this report, even if we do so at the risk of defining ourselves negatively or of seeming to protest too much. The FORUM has traditions of editorial independence which the present publishers have every intention of maintaining. Editorially, we hope to take advantage of this independence to the limits of our capacities. We have our own principles and prejudices; according to these lights we propose to pass judgment on all political organizations alike. And sometimes we shall remember Lenin's telegram to the Bolshevik negotiators of the treaty of Brest-Litovsk, who objected to wearing court dress, 'Wear a skirt if it will bring peace'. There are two more points by way of furthering the laborious and often unconvincing task of self-explanation. It will be a part of our policy to attempt to present regularly the views of contributors from outside Canada. The FORUM has always filled a peculiarly Canadian rôle in the past and we embark upon this policy in the hope and belief that it will make the publication not less, but more, Canadian. Secondly, we should like to

make it clear that we do not conceive of the function of the FORUM as a thing apart from the title; we welcome in these pages all contributions, whether in the form of correspondence or of articles, representing the intelligent expression of any shade of opinion whether it be the deepest blue, the palest mauve or the most aureate hue of crimson.

* * *

THE introduction of the Natural Products Marketing Act indicates that Mr. Bennett has decided to continue his policy of stealing thunder from the left. The immediate stimulus has apparently been provided by the agitation of various agricultural producers' organizations for state assistance towards achieving a controlled marketing process; the original inspiration undoubtedly springs from the efforts of Major Walter Elliott to reorganize English agriculture. In that the English act of 1931 gave to producers the right of compulsory marketing, with powers of fixing prices and controlling sales, privileges which were extended in 1933 to the restriction of production, the Canadian measure has been received in some quarters as a full and complete concession to organized farmers of all that they could desire—and a good deal more than they expected. Assuming that the legislation in its final form will be as far-reaching as its protagonists claim, its probable efficacy may be called into question, even while its intention is praised. The term 'planning', which has been extensively applied to it, can cover a multitude of sins, not the least of which is incoherent and hastily conceived action. If the marketing boards set up under the act are to possess price-fixing powers, it is to be hoped that they will be guided by some definite objective. Hurriedly devised subsidies applied in the face of diminishing markets can only aggravate uneconomic production and lead to the cumulative expenditure of public funds. And, if the logical sequel of price control, the right to control production, is granted, there is always the tendency for a particular group of producers to indulge in a contractionist policy, a development which is all the more likely in view of the present monetary and trade situation. The objection to the present bill is not that it goes too far in the direction of state interference, but that any scheme of agricultural reconstruction is necessarily

incomplete and likely to lead to little more than restriction if no attention is paid to the monetary and trade factors which have contributed so materially to that particular aspect of the depression.

* * *

WHATEVER may be the economic consequences of the marketing acts, their strategic value to the Conservative party is beyond question. The Canadian bill goes farther than its English predecessors in granting powers to the State in the matter of the appointment of the boards and, in view of Mr. Bennett's past history, the degree of influence conceded to the producers themselves may be negligible. Nevertheless, the promise of action is certain to enlist support from some of the more radical agricultural elements, even if those elements may be left to repent at leisure. The Liberal attitude towards the measure remains in doubt as we go to press but, insofar as the marketing acts follow the same principle as the wheat agreement, the 'old guard' will probably rest their arguments on the half-truth of the trade issue, although the more progressive Western members of the party will undoubtedly favour the bill. In the fundamental issue which emerges between parties and within the Liberal party concerning the degree of state control and regulation, the supporters of the measure will have the force of circumstances on their side. Those who have opposed the wheat restriction scheme and who intend to oppose the marketing acts, for reasons of political expediency or economic principle, may find that, in a couple of years, they will be forced to swallow their words with an embarrassed gulp. The vision of a continuously expanding Canadian West based upon the hopes of a resurrection of international *laissez-faire* is inevitably, even if regrettably, a sentimental recollection of the past. The fact remains that the next government, of whatever political complexion it may be, will discover a legacy of state obligations to agriculture combined with adverse trade policies, and will have to adjust its outlook to that situation. For the time being, the Conservatives and the C.C.F. appear to be competing for the left-wing vote in the West, while, if official Liberal opposition to the bill persists, it will leave that party dependent upon conservative producers and distributive organizations. Furthermore, if the Stevens enquiry is more than an empty gesture and Mr. Bennett decides to embark upon industrial control, he will have been successful in bringing about a complete political realignment by hoisting Mr. King on his own petard and saddling the Liberal party not only with the conservative elements in the West but also the full weight of reaction in Quebec, an incubus which presents a definite challenge to the more progressive members of that party.

* * *

THE Canadian Radio Broadcasting Commission's recent disavowal of the speech delivered by Professor T. W. L. MacDermot, the secretary of the League of Nations Society in Canada, points to the inherent weakness in the constitution of that body. There is no evidence that any direct political

influence was exerted in this particular case. The point is that the mere repudiation of a statement containing definite political implications indicates a lack of independent strength on the part of the commission. This does not imply any necessary criticism of the persons involved. We would merely point out that it is unfair to expect a man of letters, a technical engineer, and a former politician with some experience of operating a radio station, all of them selected essentially for these particular functions, to act as an effective body for laying down public policy with respect to radio broadcasting. They might well form a capable nucleus for a purely executive body, in which case there should be a strong and preferably unpaid board to fulfil the delicate task of ensuring public responsibility on the one hand and a freedom from direct political interference on the other. Experience in England, where there has been a tendency for the chief executive to dominate the situation, shows that a strong policy-making board is the essential consideration in any public broadcasting institution. It would not be difficult to reconstitute the Canadian Commission and to separate the functions of laying down and carrying out a given policy. A recent decision of the Judicial Committee of the Privy Council leaves the government under no permanent legal obligation to the present Commission, and there is little doubt that another government would undertake some radical reforms. But this is not a great source of consolation; such steps would immediately plunge the Commission into the welter of partisan warfare. The only government which can re-shape the Commission and still leave it independent is the one which originally established it, and it is to be hoped that Mr. Bennett will take advantage of the MacDermot episode to bring this about.

* * *

THE decision of the board of the United Theological College to discontinue the Chair of Christian Ethics raises at once the questions of free speech and of the relations between the universities and politics. The failure to approach the committee which offered funds last year for the continued employment of Professor King Gordon makes the explanation of economic needs lamentably inadequate. If, as seems apparent, the preservation of the *status quo* was the more effective consideration, the attempted suppression of beliefs which are no more nor less than the prerogatives of members of a recognized political organization is an act of partisan prejudice without the slightest justification for existence in the sphere of education. The whole conception upon which the action seems to be founded, that political and academic activities should each be shielded from the direct contagion of the other, has no basis. There is no reason why a professor should be excluded from political activities any more than a doctor, a lawyer or a business man; political life would be richer rather than poorer, and it is difficult to appreciate the motive for grudging a certain class the right to participate in a sphere in which, after all, everyone's interests are vitally focussed. The division of the

world into two classes, the 'practical' and the 'theoretical', is a peculiarly Canadian fallacy, to which we owe no small part of the present discontents and which, one had hoped, the depression had helped to remove. If carried out, this decision would be not only strangely inconsistent with the traditions of liberal education, but also a distinctly retrograde step from the point of view of Canadian political life.

THE recent concentration of European nations upon internal matters has afforded a temporary relief to the international situation in that they have been forced to devote their energies to settling domestic problems rather than to splenetic outbursts abroad. Perhaps it is for this reason that, during the last few months, several events which would have provided a first-class excuse for the declaration of war at the beginning of the century have passed by peacefully. In France, however, the solution of domestic troubles found in the formation of a national government cannot be regarded without misgivings as to its international repercussions in the future. M. Doumergue's antecedents are not reassuring. As President in 1924, he was in opposition to M. Briand's efforts towards European conciliation while attempting at the same time to curb the powers of the Chamber of Deputies. Furthermore, his present government is the reactionary aftermath of a concerted campaign against Republicans. It is abundantly clear that the end of the present disturbances in France is not yet in sight, but it is difficult to believe that, whatever form of government finally emerges, it will be one strongly conducive to any degree of international accord. In the meantime, Dollfuss, apparently unable to find in this world any sanction for his dictatorial regime, has sought instead a celestial source of sovereignty by resurrecting, in the constitution of the new Austrian Corporate State, the theory of the divine right of kings in its modern form. The extent to which this will assist him in keeping the lid closed upon a seething cauldron of Nazi activity and Socialist opposition is dubious. We suspect that he is pinning more faith upon the aid of Mussolini, who has been temporarily successful in curbing German expansion to the Tyrol through the negotiation of the Italian-Austrian-Hungarian pact. In its isolated framework, this Italian Balkan bloc may achieve certain economic advantages. But beyond its essential objective of frustrating Germany, in consideration of its effects upon the Little Entente it can be little more than a thorn in the side of France. And Mussolini's 'sixty year plan' of imperial expansion in North Africa will do little to allay the French fears and resentment. The problem of security, and therefore of disarmament, has been increased rather than diminished and it is probable that the forthcoming Disarmament Conference, according to its wont, will 'open in atmosphere of gloom'.

THE relation of this to Canada is that, at present, the discussion of the stand to be taken in the event of an outbreak of war has hardly pierced through the esoteric circle of academic discussion

into the realm of political controversy. And for this reason, we are grateful for the recent debate in the House of Commons on the emergency powers granted to the Government under the 'peace, order and good government' clause, in which Mr. Bennett disclosed the opinion that the right to decide whether or not the nation would participate in hostilities rested with the executive rather than with the House itself. The Prime Minister's stand may be based upon the legal view that when the Crown is at war all the nations of the Commonwealth automatically become belligerents, whether actively or passively. Whatever may be the legal merits of the question—and lawyers tend to interpret it according to their Imperial emotions—Mr. Bennett's view is certainly not shared by a large number of his countrymen, and in the interests of clarifying Commonwealth relations the issue urgently requires a good deal more public ventilation than it has received hitherto. We do not always agree with Mr. King's constitutional niceties, but in this case he has raised a vital point. While emergency powers can be condoned when they are designed for dealing with the details of certain economic problems, there is no possible justification for granting the executive the right to declare war which is included in the 'peace, order and good government' powers. Nor does the argument that these powers would be offset by the necessity of summoning parliament for the purpose of making military appropriations carry weight; obviously in such circumstances, a state of martial law would be proclaimed and parliamentary rights would fade gracefully into oblivion. In private and semi-public circles of late there have been numerous attempts to re-define the Canadian position as regards international policy; it is vital that these should extend to the public arena in which they insistently belong.

WE must offer our humble apologies and beg the indulgence of our readers for the belated appearance of this issue of the FORUM. For this lapse we must plead some of the obvious excuses. We have always felt that the custom of bringing out a magazine weeks ahead of its appropriate time would some time reach a ridiculous but logical conclusion, but we must admit that it was not our intention to reverse the process. If we must draw a moral, it is that 'planning' is more easily advocated on paper than practised in everyday life.



London Letter

IN the economic recovery of the last few months in England, there is something to match the curious revival of Victorian fashions. The elder Forstyes, who would have shaken their heads so disapprovingly over the chromium-plate glint of N.R.A., would have been warmed to the Consols of their hearts by the solid mahogany improvement in our own industrial conditions. The springs of this recovery are not hard to find. The timely depreciation of the pound, besides giving us a temporary advantage in export markets, maintained the sterling price level while the prices of the goods that we are compelled to buy abroad were still falling. Internal purchasing power was therefore fairly well sustained, reinforced as it was by unemployment pay and other governmental expenditure, which was partly financed by cheap short-term borrowing. This provided a firm footing for the forces of easy money, of lower costs by dint of genuine economies, and of change and decay with their consequential demand for capital outlay.

Yet satisfactory as the situation is in many respects, there is much to disturb the repose of conscientious statesmen. We have a long path to prosperity yet to tread. The number of registered unemployed, at 2,201,577 on March 19th, was 574,067 less than a year before; but a total of over two million unemployed would have horrified us five years ago, and it still is a grievous sore upon our body economic. In those days, moreover, a comparatively small proportion of the unemployed were chronically workless. Most of them were out of a job for a few days, a few weeks, or at most a few months. Today it is quite another story. Five years of depression have left many thousands of men with records of years of idleness, sapping their skill, their strength and their ambition. The industries that were formerly declining, furthermore, have been brought to a still lower ebb, and the great improvement in newer trades cannot blot out the realization that much of the former capital and labour force of such industries as cotton, coal, and ship-building will never be employed again.

* * *

IT is their political misfortune that these industries are centred far from the metropolis, itself the heart of the most prosperous area of Great Britain. But the attention recently drawn by the *London Times* and other journals to the condition of the so-called derelict areas has stung the public conscience and aroused public discussion of the problem of restoring their fortunes, by the transference of labour or the ingrafting of new industries. The notorious 'hunger-march' of organized unemployed men and women upon the capital from every quarter of the country, unspectacular as were its immediate effects, and discredited as it was by the official Labour party and trade union leaders, also kept members of Parliament and men-in-the-street reminded that two million unemployed constitute a

dangerous social problem. The marchers, well led and apparently well fed, behaved with remarkable orderliness, doubtless to the disappointment of the blackshirt stalwarts, who must have been athirst for a little practice, against the day when they shall save the country from Revolution. Political organizations anxious to affect such continental mummary will soon have to resort to checks or stripes in their symbolic shirts; for with red appropriated to Marx, black to Mussolini and Mosley, brown to Hitler, blue to O'Duffy, and now green to the irrepressible Major Douglas, there are very few plain colours left.

* * *

THE shirt movement has not yet had, and is unlikely to have, any profound effect upon our political life. There is no law against the wearing of private uniforms (and those who demand such a prohibition must recall that it would ban the Boy Scouts and the Salvation Army), but the law is strong enough against the more aggressive manifestations of the mentality behind the wearing of such emblems. In this, the law is acting in self-defence; for if fascism stands for one thing above all others it stands for the prerogative of the organized State to over-ride the rule of law by arbitrary acts. Recently a gang of fascists were bound over for attempted interference with the application of legal sanctions in a tithe distraint case; and although another charge that received considerable publicity, in which a couple of Sir Oswald Mosley's followers were alleged to have overdosed a fellow member with castor oil because he had 'split' to the Liberal press, was dismissed for want of evidence, the Court investigation must have warned the blackshirt authorities that the bullying methods of the Storm Troopers will never be tolerated here. Much public interest will be aroused, no doubt, by the libel action brought by Sir Oswald Mosley against the *London Star*, which is at present bogged in legal involutions. The *Star*, reporting a meeting addressed by the fascist leader, in effect accused him of sedition in advocating the use of machine guns against communists when the occasion demanded. Machine guns apart, one dreads to consider what fierce disorders might have been precipitated at the time of the general strike, had Sir Oswald Mosley then indulged in his present predilections, instead of being still a Socialist leader.

* * *

WHILE the fascists themselves are but trivial in membership and power, the fear of fascism is a real political force. The Government make the most of the alleged fascism of Sir Stafford Cripps, who on that account is highly suspect among the respectable trade unionists of his own party. The Opposition press retort by accusing Mr. Elliot, the Minister of Agriculture, of 'Hitlerism' in his marketing schemes, and his energy likewise arouses much misgiving in the more timid Conservative breasts. Nevertheless, he is still hot favourite for the reversion of the Conservative leadership, when the time comes for the retirement of those too closely associated with 'national' politics.

H. V. HODSON

Washington Letter

SOMEBODY was bitterly disappointed by the outcome of the primary elections in Illinois on April 10th. It wasn't the Roosevelt Administration. The Administration, naturally, was elated and greatly encouraged at a time when its despair was blacker than a crow's wing. It wasn't the Republican Party. Thus far, that emaciated organization is still too weak from its collapse in 1932 to register much more than a faint protest.

I have an idea, and I think it is a pretty sound one, that it was American industry, banking and business that suffered the disappointment. Such seemingly unqualified endorsement of the New Deal at a time when these gentlemen are having conjured up for them by their propagandists visions of Communism, Socialism, and un-Americanism subtly penetrating to the core of their government, is, of course, a major tragedy to them. And if it were not for Dr. Wirt, the Hoosier pedagogue, I doubt that they could restrain a truly touching manifestation of their sorrow. But more of Dr. Wirt in a moment.

The Recovery Administration is confronted by such an example of the employment of the constitutional right of free speech and free petition as to make it seem that these prerogatives of a free people might, after all, be a mistake. I think it can be presumed that the rights of free speech and free petition, however, were understood by the founding fathers to apply primarily to the individual, not to a collection of individuals equipped with bottomless pocketbooks and convenient friends. The situation has reached the point here in Washington where the individual voice is drowned out by the thunder of the lobbies.

The American Legion lobby succeeded in influencing Congress (it is an election year in which all members of the House come up for re-election) to defy the President and override his veto of the bill that puts 29,000 veterans back on the pension rolls, veterans whose disabilities are not definitely known to be due to their war service. (It is interesting to note that the Legion boasts that during the depression its members, generally, have fared better financially than any other large group in the country).

The manufacturers' lobby appears about to defeat, or at least delay beyond the present session of Congress, the Wagner bill which would make the National Labour Board permanent and clothe it with authority to enforce its decisions in labour disputes.

The New York Stock Exchange lobby has virtually wrecked, in the Senate Finance Committee, the bill designed to give the Government authority to control the financial debauchery of Wall Street. The Exchange set aside a fund of \$250,000 for this purpose. It has conducted a campaign throughout the country to kill the control bill such as even the Legion might envy. Letters, pleading letters, were sent to heads of all corporations, whose stocks were

listed on the exchange, to fight the control bill with all their influence. That meant wiring the Senators and Representatives from their states, coming to Washington to lobby personally, issuing statements to the press as to the utter disaster to each and every one of us should this devastating measure be enacted into law.

They conducted a similar campaign against the Securities Act which was passed in the special session just after Roosevelt was inaugurated. They failed then because business and banking were too scared to put their hearts into the fight.

The sabotage in the Senate Finance Committee was directed by Senator Carter Glass, the testy little Virginian, who has undergone a metamorphosis in the last 18 months that has gradually converted him into something that might be described as a Democratic Calvin Coolidge, who was suspected of having been weaned on a diet of pickles.

Is it strange that the Roosevelt Administration needed, and still needs, such encouragement as that which came from Illinois? It is the ballots that politicians watch, though they may seem to respond more readily to the importuning of the lobbyist. The Illinois ballots may serve at this time to steady their nerves, and make them more willing, in view of the obvious attitude of the rank and file of the electorate, to thumb their noses at some of the lobbyists' advances.

* * *

WITHIN the past six weeks the power of the lobbyist has created a situation in the National Recovery Administration that has become so acute that press conferences with General Hugh S. Johnson, Recovery Administrator, have been abandoned. Whether this be temporary or permanent, Johnson sayeth not. The N.R.A. is confronted on every hand by code violators, and there appears little the Government can do about them. The activities of the industrialist, and his allies in business and banking, can be said to threaten developments which might conceivably force the Administration to take steps that would make the Constitution nothing more than an interesting scrap of history. Such a situation, of course, cannot be looked upon with equanimity. However, the so-called 'cracking down' process of code enforcement is really only a process of trying to burn the child so that he'll fear fire when the child is apparently so stupid as to believe he is non-inflammable.

General Johnson has just ordered his code compliance directors throughout the country to report code violations to the local United States District Attorney for prosecution. This means court, of course. Going into court on a criminal issue involves a discouragingly lengthy proceeding in this country, but appealing to the courts on an economic issue when you have endless resources and legal talent with which to fight the Government, certainly cannot be called expeditious to a recovery programme. Meanwhile, men may be underpaid, competitors ruined, recovery dangerously impeded and unemployment increased. However, the Adminis-

tration's last resort under the Constitution is the courts.

Is it to be wondered at that General Johnson and President Roosevelt need encouragement? They can only get it at the polls, but from the Illinois performance, it appears that they will when the last vote is cast in November.

* * *

NOW about Dr. Wirt. At first glance his performance before a special House committee investigating his charges that the Government is about to fall into the hands of 'red plotters', or at least socially-minded persons, would seem a burlesque. It is not. There would appear to be adequate reason to believe that the 'show' has much greater implications than that. The 'Red Menace' is particularly appealing to the more imaginatively stunted of our people, who are unfortunately to be found in great numbers. The Republican Party realizes this. Didn't they find it extremely profitable to arouse the religious bigotry of half the nation in 1928 to put Hoover into the White House?

Industry realizes the value of the 'Red Herring', as it might be called. The Committee for the Nation (a self-imposed title which would indicate the character of this propaganda organization) served as the impresario for Dr. Wirt. James H. Rand of Remington Rand Inc. made public Wirt's charges. This Committee for the Nation is an inflationary group of industrialists and such who are out, you may fairly presume, to feather their own nests. The Administration's increase in the gold price and devaluation of the dollar is in complete agreement with their campaign. It is said that Rand has recently, and no wonder, if the report is true, become interested in exploiting gold properties in Georgia.

The business man, and these members of the Committee for the Nation are most assuredly business men, and big ones, may be justly suspected of having raised the 'Red Menace' in the Administration to embarrass the recovery projects and add strength to their campaign to defeat all social legislation which might interfere with their plans for their own personal and corporate recovery.

It will be interesting to watch the development of the "Red Plot" agitation during the next few months. It is possible that you will see it pushed down the throats of at least the more credulous of Americans. The American Legion is already out cheering for Dr. Wirt, and reactionary papers, such as the *Chicago Tribune* and the *Boston Herald*, are doing the same.

* * *

TO complete a somewhat realistic report on Washington, there should be appended mention of the current investigation by the Federal Trade Commission into the vast utility enterprise known as Associated Gas & Electric Company.

This inquiry discloses a fair sample of industrial interference with government. More letters exchanged by Associated and members of the New York legislature have been brought to light, showing a most uncommonly sympathetic interest in

Associated's affairs, as they might be affected by legislation, on the part of the chairman of the committee who had the power to kill any legislation which might 'embarrass' Associated.

In a memorandum found in the corporation's files by Commission investigators, was the suggestion that too many members of the corporation had been writing State Senator Thayer at Albany. It was proposed in the memorandum that the apparently voluminous correspondence with this very friendly legislator be handled through one person. The memorandum was written by H. O. Hopson, Vice-President of Associated, to J. T. Mange, President. It included this sage bit of advice: 'Operating officials and business men have a direct manner of writing letters which would not be entirely satisfactory in the event of subsequent political or legislative inquiry.' Fortunately, Associated has one of those legislative inquiries on its hands right now, thanks to the Federal Trade Commission.

It is things like this that make Washington, at least, realize how utterly necessary it is for the New Deal to succeed, and the fight for President Roosevelt's 'more abundant life' will provide rewards none need be ashamed to take, if it succeeds. They will have been earned.

ROBERT W. HORTON.

THE YOUNGEST GOD

He never mingled in the rout
Of those who trod the wine-press out;
His hand was never quick to guide
The plough-share when it turned aside.
But on the hill-tops he was lying,
Singing to the wind replying.

Beloved vagrant, fancy-free,
Jesting at all propriety,
We mark with white the happy day
When orthodoxy went astray
To trace, where Laughter's feet had trod,
The progress of the youngest god.

W. A. BREYFOGLE

BLOMIDON SPEAKS

From hot Triassic days,
The pulse of boiling seas,
Heavily remote,
I have watched your coming across the ages.
From on high
I laugh at your orchards,
The ordered green of farms,
The bloom of your pale valleys.
Against the far knowledge of my blue slope
Your years and doings
Are as a scattering of wild roses,
Or the tinkle of a cow-bell on the summer wind!

ALAN B. CREIGHTON

The Bank of Canada

By C. A. CURTIS

IT is probably not much of an exaggeration to say that the proposed Canadian central bank is a product of the depression. Even before the depression came it was becoming evident to students of the Canadian monetary system that some central institution was a necessary and logical development, but the public and the politicians had no interest in such an academic and technical matter. However, the economic self-searching consequent upon the depression caused the groups to develop an interest in the problem; the 'theoretical' became 'practical' with the Bank of Canada bill as the outcome.

This bill, which is now being considered by parliament, raises a number of points; some of these are of general interest while others are very technical but exceedingly important. The purpose of the present article is to discuss the point which is of most general interest—but not necessarily of most importance—that of the ownership of the bank.

The Bank of Canada bill—including the provisions for private ownership—is supposed to be based on the recommendations of the *Report of the Royal Commission on Banking and Currency in Canada*, and right here the connection between these two may be discussed briefly. In the first place the Commission, in general, did not study or take evidence on the form of the central bank as much as on the desirability of having one. In the second place, the content of the document is confusing. The first five chapters develop the argument for a central bank; the next two deal with peculiar banking problems; the last chapter contains the recommendation for the establishment of a central bank. This is the report proper which all the commissioners signed; it is followed by memoranda wherein is expressed dissent from some of the views in the body of the report. Then in an appendix are some suggestions as to the constitution of a Canadian central bank. This appendix is only slightly over two pages in summary form, is not signed by anyone, and is not part of the report proper. Sir Thomas White and Mr. Brownlee objected to the suggestion of private ownership—just as if it were part of the report—and Mr. Leman's position on ownership is not clear. Thus it is not evident just who supports these 'suggestions'; nor is it clear that a majority of the commissioners do support them—or what parts of them. This appendix, however, is the part of the document on which the Bank of Canada Act is supposed to be based. Thus the Bank of Canada Act seems to be founded in obscurity.

Coming now to a consideration of the ownership of the bank, a distinction must be made between ownership and control. Fundamentally, it matters little who owns the capital of the central bank; the important thing is who controls it, i.e., selects the directorate and the operating officers. Through the development of the corporation the two things are

not the same. For example, all the shares in the central bank could be held by private individuals who had no voting rights, or who elected only a minority of the board of directors. So the really important thing is control of the bank, not ownership of its shares.

The present plan is that, after the bank is initiated, the private shareholders will elect the board of directors which will in turn, subject to governmental approval, select the operating officers. The aim is to avoid the day-to-day backstairs influence which a government might exert on the central bank. No one can question the undesirable nature of such influence and the desirability of avoiding it. But even if one assumes that such an influence is inevitable—which may be an unduly pessimistic view—is a private institution immune from it? Surely it becomes a matter of the integrity and character of the management of the central bank, and whether the one method of selecting the management is in this respect superior to the other. Clearly, the present bill is based on the assumption that private election is superior to public selection. Sir Thomas White—a man of experience in business and politics—believed that public selection was to be preferred. In general, Canadian public appointments have not been bad and in some cases they have been very good. It seems to be in part a matter of the tradition of the body concerned. The judiciary in Canada has maintained a good tradition. In the United States the high level of the Supreme Court has been pretty well maintained, while in recent years the prestige of the Federal Reserve Board has been steadily lowered until now it is probably at the lowest point in its history.

There is another aspect of the matter which may be even more important. It is the function of the legislature to select the monetary standard (or policy) of the country and it is the function of the central bank to operate the standard (or policy) so selected. This, however, gives the central bank plenty of scope within which it may exercise great influence. But it is not the function of the central bank to determine the monetary policy of the nation; this duty belongs to the legislature, although the central bank is the proper body to give the government technical advice on such matters. The central bank is thus an institution to which is delegated certain semi-public functions by the state 'which must necessarily retain ultimate sovereignty in matters affecting the currency'. (*Report*, par. 207).

Thus because the central bank does perform certain quasi-public duties it must be under the ultimate control of the state. If there is any quarrel between the bank and the government as to monetary policy, the government—if it will not be persuaded by 'sweet reason'—must prevail, and any system which would make it otherwise would be incom-

patible with a democratic scheme of government. So while a central bank should have sufficient independence of its government to be able to advise and to object with vigour, there can be no doubt that the will of the government must prevail. The government must accept responsibility for its broad monetary policy; if the central bank believes the matter to be of fundamental importance it can bring it before the public. Such action would be extreme and unusual but such a possibility would always be before the government.

A privately owned and controlled central bank would be no protection against unwise monetary policies insisted upon by the public. A government institution might be able—because it was public—to do something to oppose such policies and to try to inculcate sounder views. The fact that it was a public institution would create confidence in its position. A private institution would be swept away by the deluge. A strong Federal Reserve Board might have been able to influence Mr. Roosevelt's monetary problems; a private central bank in the United States—and the same is true of Canada—would have been crushed out of existence by Mr. Roosevelt, and with public approval.

This point may have more significance than at first appears. It would seem that economic and monetary questions are becoming more and more matters for popular decision. Such questions, however, are exceedingly technical and difficult to present to the public and much of the so-called disagreement among 'monetary' economists is simply evidence of the complexity of the problem. But in popular discussion the complexity of the problem is not realized and simple solutions are the last word. In popular controversy the lack of understanding usually means the presence of passion, and monetary policies arouse their adherents through the 'cross of gold', 'the tyranny of gold', and similar passionate utterances. So if monetary solutions of economic problems keep their present importance in the popular view, a private central bank will be but a weak reed in the storm.

Canada is essentially a federal country. Evidence of this is everywhere; no public body is ever appointed that does not represent the different sections of Canada. The point is not that it is good or bad; the point is that it exists and will be insisted on. Now how is it to be recognized in the election of the private board of directors of the Canadian central bank? Free, unhampered selection of directors would make regional selection a haphazard matter; if 'rigging' is to be done in order to get such representation surely the government is the proper body to do it and in the open.

At the present time the interests of the individual as a producer seem far to outweigh his interests as a consumer, with the result that nearly all remedies for social ills are in terms of industries, associations of producers and so on. The articulate interests in our society seem to be those of producers. The approach is not the general welfare of society but the welfare of a producing group, and

our legislatures are constantly being approached to give help to some special interest. Now it is possible that, within the framework of the monetary standard set by the legislature, the central bank may have the power to assist, in an indirect way, certain industries. This condition may lead to influence—in a broad sense—being used on a private bank just as well as on a public bank; indeed, the risk may be greater in the case of the former for it would be possible for some interests to get strong representation on the directorate. In a public bank the various interests would be appointed to the directorate and the state would presumably see that a balance was kept among the economic interests of society. Such a balance would be an accident under private selection. This does not imply corruption or narrow influence; it simply attempts to recognize, in the prevalent attitude of the articulate and interested groups, a tendency common to most people of associating their own welfare with that of the state.

It seems odd that the one group most closely concerned with the workings of the central bank should be specifically excluded—that is the bankers. The point is not that the bankers should control the central bank—there is no question of this—but why their views are not worthy of representation. They are the people who run the chartered banks and who are best qualified to give technical advice about the daily operation of the banks. To cut off from the directorate such a body of technical advice seems to be allowing prejudice too much play. The bankers may know little about the broader aspects of the monetary system but they are the people who know the inside of the banks; and the central bank must work through and with the chartered banks. The banks will doubtless co-operate with the central bank now that it is in existence but this co-operation could be assisted greatly by giving the banks a representative on the directorate.

Aside from the effects on the central bank itself one would think that public control would be a more popular device than private control. One would have guessed that the political aspects would have caused public control rather than private. Possibly, now that the matter is open, some scheme whereby the board would be composed of some private directors and some public directors—as in New Zealand—would be worth trying in order to get the best of both plans. Such a compromise would meet the federal aspects of the problem, might give some of the other advantages of public control, and at the same time might, with its leaven of private directors, stiffen the management of the bank against the type of political interference which must be avoided if the bank is to be most successful.



ROOSEVELT AND TARIFFS

By RAYMOND MOLEY

FOR a year the United States has pursued a policy of non-interference with existing tariff rates. This is a clear necessity, in view of the domestic program of recovery. Now, however, that recovery is well under way and the time has come to look to the future, President Roosevelt's tariff policy of tariffs by 'negotiation' will be initiated. He has asked Congress for the authority to negotiate tariff treaties and to reduce tariff rates by executive order, in accordance with such treaty agreements. Despite some opposition to the proposal, it is assured of passage.

To give this authority to the President is perfectly sound, for, despite the traditional authority of Congress over tariff making, the President represents more clearly than Congress the transcendent public interest. After all, Congress is an aggregate of special interests and, despite our political theories, practical politics decrees that the result of adding together many special interests does not constitute the public interest.

The situation is difficult because the Democratic Party has traditionally been for low tariffs. In that respect, it has resembled the liberals of England and Canada. But a tremendous revolution has taken place inside the Democratic Party. The old-fashioned low tariff people are not in a position to enforce their will upon the government. The average New Deal Democrat is as truly a high tariff man as the old deal Republican. His reasons are different, but the objective is the same.

There should be no illusions, however, on the part of old fashioned Democrats as to what the practical exercise of this power requested by the President will mean. It does not mean a rejection of the principle of protectionism in favour of Democratic pronouncements of many years past. That policy has been pretty thoroughly rejected by public sentiment in the past sixty years. Democratic attacks upon the tariff since the Civil War have never resulted in a real change in the drift of this country toward a national economy. Time and again, when the Democratic political doctors have come into power and reduced the tariff, it was only to find themselves swept out of office shortly after, and to witness, as a grumbling minority, the triumphant Republicans put the tariff higher than ever.

A realist in politics recognizes this tendency of generations. The Democratic Party, under President Roosevelt, is not going to tempt Providence by repeating the mistakes of the past. A general tariff reduction on any percentage basis is unthinkable. It is probable that the last glimmer of that kind of a general tariff reduction vanished with the summary rejection, at the time of the London Economic Conference, of a suggestion of a ten per cent reduction all around.

Realists have come to recognize that in the realm of international trade a revolution has taken place

since 1914. The possibility of building a free international trade market was destroyed by the War. After the War, the United States succeeded in selling goods abroad by lending billions of dollars abroad. When she came to the end of lending, the international market fell to pieces. As Stuart Chase says, 'On the brink (of this abyss) stand the stout, liberal, free marketers all, wringing their hands for a golden age—well, golden for some—which has gone. International conference after conference meets, hoping against hope to get Humpty-Dumpty together again. But Humpty-Dumpty is smashed. He was an egg, you know . . . Mr. MacDonald, Mr. Herriot, he was an egg, and he is smashed.'

The reason why Humpty-Dumpty was smashed is that some nations have nothing to buy with, except money that they borrow. Other nations have so stimulated their agriculture as to fill in large part their own internal needs. There are many reasons for this, one of which is provision against the danger of war and blockade; another is the obvious economy of balancing domestic production and consumption. Hundreds of American factories have been built abroad with American money for the supplying of foreign manufactured necessities. These are not illusions; they are facts with which the modern world must reckon.

Another powerful factor that has entered political economy since the day when free traders held forth, is the principle of raising living standards to provide a home market for hitherto exportable surpluses of manufactured articles. That means the stimulation of consumption at home by higher wages in industry and higher prices for farmers. The emphasis in the modern economic system is upon the stimulation of consumption rather than production. This tendency has been so widely recognized that most of the remedial measures of the New Deal are based upon it.

At this point I want to make a plea for ruling out argument on this subject by the old fashioned method of ultimates. This is not a contest between those who believe in utter and complete and absolute nationalism and those who believe in utter and complete and absolute internationalism.

We need not justify, morally or economically, the creation of high tariffs. I, for one, regret that the principle has become as firmly established as it is. But I cannot help but think that when the economy of a country is established under the shadow of tariff protection, it is unsound to tear away this protection and force the reconstruction of economic life that would entail. Everyone who travels from New York to Chicago is sorry the New York Central and Pennsylvania Railroads do not travel in a direct line. But they recognize the fact that to permit Mr. Loree to build a road on a straight line through northern Pennsylvania would result in such a devastating destruction of established property as

to render this new and more direct road undesirable.

The theoretically correct thing is not always the wisest and most humane thing in a world of realities.

I believe, however, that social justice ought to be established in the economic system. Therefore, if profits accrue to individuals through present protective tariffs, these profits should not be destroyed. They should be shared by all of the interested parties—stockholders, labour and consumers. The means to a distribution of this return is to be found in the mechanism of the New Deal. In my judgment, the profitable thing for statesmanship to concentrate upon in the immediate future is not so much the opening up of new foreign markets, as the development of a better means of distribution within the United States.

However, I believe that the President should have the tariff power he requests. It gives him the power to make a delicate adjustment of national economic life through certain kinds of trades with other nations. It enables him to do this in an informed and measured way, just as his power to manage the currency permits a more delicate and continued adjustment in the light of scientific facts. Moreover, I am impressed by Secretary Wallace's sweet reasonableness in pointing out that to adjust the domestic agricultural production to domestic needs is a pretty difficult job requiring some years, and that during these years some exports are desirable.

While I agree in very large measure with Secretary Wallace's argument, it is only fair to state that it comes from one side of our national economy. It is, of course, obvious that agriculture wants to find a means of continuing its production at a fairly high rate, unloading its surpluses in foreign nations. But the difficulty arises when the farmer's surpluses are paid for by foreign nations in manufactured goods. At this point, a rather small and uncomfortable shoe is being fitted on the industrial population of cities who must accommodate their production to meet the influx of foreign-made goods. In other words, we must recognize that a national policy must not become exclusively an agricultural policy. A broad national policy dictates the maintenance of a sound balance between agriculture and industry. This must be kept definitely in view when we weigh the intelligent suggestions of Secretary Wallace.

I think that the ultimate welfare of agriculture is best served by a greater concentration upon the reduction of acreage and the raising of farm prices to the end that domestic production may, with such exceptions as cotton, be balanced more completely against domestic consumption.

There are other matters, however, that Congress ought to debate very carefully. An important one is the desirability of continuing the most-favoured-nation treaties. If we are going to keep them we ought to understand exactly the possible serious consequences.

Another consideration, not for Congress, but

for the Administration, is the need of providing the technical machinery necessary for the negotiation of such treaties. I have had sufficient personal contact with the tariff experts through the various departments of the Administration to know that there are forty or fifty men who know a vast amount about tariffs. The knowledge of tariffs, however, is unlike knowledge of almost any other subject. It scatters itself in collections of assorted information. Organizing genius of the first order is necessary to bring this scattered army of experts into a working team. Obviously, if we are to make tariffs by treaties, the State Department is the place to head up this work. This tariff policy is experimental. It ought to be undertaken by a specific department which can, in the course of time, be properly credited with the results of the work which it has sought and undertaken.

Tariff making, however, is more than the assembling of experts. It requires the creation of a forum where those private interests who are affected by tariffs may, under reasonable and proper restrictions, present their special cases. There must be a place where legitimate lobbying can be done. With the shift in tariff making from the legislative to executive branch of government, the horde of private interests who have filled the hotels, the lobbies of Congress and the very streets themselves, when tariff making is in progress, will now be centred on the State Department. It is wrong to assume that these lobbyists are wholly undesirable. They have the right to present their arguments. These arguments ought to be appraised under conditions that conserve the public interest. The State Department, in addition to the job of correlating the governmental technical skill in tariff making, must also provide the means to handle the lobby.

Both of these are sizeable jobs. They cannot be handled by loosely organized interdepartmental committees, made up of Cabinet members who are harried by a thousand duties. They must be carried out by a fine, integrated, administrative organism, informed, patient and progressive.

The plan proposed by President Roosevelt is thoroughly in keeping with the idea of a managed national economy. It enables this nation to engage in a very limited way in mutually advantageous trade with other nations. If used sparingly, it does not open the doors to destructive competition. It is not the enactment of traditional Democratic tariff policy. Democrats who accept the new order of things will do well not to expect the impossible. We must not expect that the seven seas will again be covered with an international commerce that belonged to a vanished economic world.

It has been my firm belief that the first and most important country with whom the United States should discuss tariff agreements is Canada. I can see many profitable opportunities for an exchange of goods. I would rather have the substantial reality of Canadian markets than all the illusion of South American and European markets. The passage of the new tariff bill will open up interesting vistas in our Canadian relations.

China in 1934

By SIR ARTHUR SALTER

CHINA continues to attract the attention of the world for two quite different reasons. The conflict with Japan from 1931 onwards tested and strained the League of Nations, and the whole 'collective system', constituted partly upon the League, partly upon the Kellogg Pact, and upon the increasing co-ordination between the two; and the consequences of that conflict are among the principal factors in the present political situation. At the same time, China, more than any country, has seemed to many observers to afford a potential market capable of giving the world a new stimulus to expansion after the depression of the last four years. For China, comprising about one-fifth of the world's population, accounts at present for only about one-fiftieth of the world's external trade. Her industrious population, her natural resources and the unsatisfied needs of a people living on the basest level of subsistence, seem to offer the possibility of an extension of markets sufficient to affect substantially every great exporting country.

I have myself paid two visits to China, one in the early part of 1931, the second, just concluded, three years later. Each was brief, but each was made under conditions which gave some special facilities for rapid observation. Some comments, therefore, upon the principal changes which have taken place in these three years may be of interest.

Politically, the principal new factor consists of course in the situation created by the Japanese conflict. I do not propose to discuss the merits of that dispute. Its consequences may be briefly stated. It has resulted in the loss to China of Manchuria, the most suitable area for the immigration of a part of her surplus population, and the only part of China which had a substantially favourable balance of trade, that is, exported more than it imported. It has also added to the financial strain and economic distress of China considerably, partly through the military expenditure involved, and partly through the new shock to confidence which has discouraged new enterprise. Active conflict has now, of course, come to an end. It is probably true to say that both Chinese public opinion and the present Chinese Government, while unwilling to recognize the new régime in Manchuria or to accept its loss as irrevocable, realize that active opposition is not now possible and are prepared for a *modus vivendi*.

Internally, the political position is in some respects substantially better. Through the greater part of the period of the Republic China has been devastated by the contentions of rival war lords, sometimes competing for the domination of a particular province, sometimes aiming at complete independence, sometimes contending for the prize of central government. Now, however, except in Szechuan and the extreme northwest, this form of trouble has passed. Each province has its own effective govern-

ment; and each recognizes at least the need for, and the suzerainty of, Nanking. Active and armed communism, too, sporadic before, has for the time at least been concentrated in a part of one province, Kiangsi. China has not yet achieved unity; there is still great jealousy of Chang Kai-Shek, the real power in the Nanking Government; there is still serious danger of conflict between Canton and Nanking; but at least the elements of real unification are present as they have not been before. Reasonable unification, and a tolerable measure of stability, are more possible now than at any time since the revolution of 1911.

Economically, the situation has certainly changed for the worse in the last few years. This is partly due to the cumulative effects of the internal conflicts of over twenty years, which have left that fatal legacy of increased taxation and denuded farms; and partly to the special strains caused by the Japanese conflict. But it is certainly also due in large measure to the rise in the value of silver, which is China's currency, in relation to the external currencies. It is very remarkable that China, while suffering from older troubles of her own, practically escaped the effects of the world depression during its first two years, 1930 and 1931. This was certainly because, just when gold prices were falling, that is, gold was going up in value in relation to commodities, silver was falling in relation to gold, so that Chinese (silver) prices did not fall. China thus escaped the 'currency deflation', from which all the rest of the world was suffering. During 1930 and 1931 she enjoyed a period of what, by her own standards, was one of moderate prosperity. This happy exemption ended when, towards the end of 1931, the pound sterling, and with it the rupee and the yen, left gold. Since then silver has been going up in value in relation to these currencies—three of the four which principally concern her; and since then China has been falling deeper and deeper into the general depression. The fall of the American dollar, and the special stimulus given or expected to the price of silver, has added to her trouble. Her exports, and even her imports, have fallen very greatly, and the effects of falling prices have penetrated throughout the whole of her economic system. I recommend those silver advocates who have contended that a rising price of silver would be good for China, or would increase her power to buy from abroad, to study the record of the last four years—the relative prosperity during 1930 and 1931 when silver was *falling*, and the deepening depression of 1932 and 1933—expressed not only in falling exports but falling imports—when silver was *rising*.

Meantime the depression has had one effect which threatens further trouble for the future. Though China has been buying less, she has still been buying much more than she has sold. She

has been paying for the difference by exporting gold and silver. And at the same time silver has been flowing from the interior into the unproductive safety of the banks of Shanghai in the form of deposits. China is therefore suffering from a shortage of currency, and a shortage of capital willing to accept the risks of investments in the interior; this has further depressed prices and increased the general distress.

China, in a word, needing capital for development more than most countries, is at present not being capitalized but *decapitalized*—even the modest savings which producers in the interior can make are being drained away to Shanghai or abroad, and are not used for new development.

The remedy required is a two-fold one. One is the restoration of conditions of security and confidence, which will make Chinese capital again ready to invest in the interior; and the political development noted above affords some prospect of improvement in this respect. The other is the establishment of the conditions which will again attract an inflow of foreign capital.

The key to this second problem is certainly to be found in the railway situation. The railways are intrinsically a very good proposition indeed. China's great economic need is better communications, and railways are by far the most suitable means of transport for a country with such vast distances as China. Whenever there has been peace and tolerable management the railways have paid handsomely, and granting these conditions they can certainly earn enough to make possible a reasonable arrangement with the present creditors and the acquisition of new capital for extension.

In spite of the depression, the industrialization of China is proceeding. A very large number of light industries, capable of operating in small units, and producing a large variety of articles—metal work, domestic utensils, electrical and wireless apparatus—as well as textile factories, have been steadily expanding. The chief limiting factors to China's industrial development, if peace and stability are secured, will be found, not in any lack of skill or even of available capital, but in the small purchasing power of the agricultural producer. China's fundamental economic trouble consists in the great congestion of population in the cultivated areas. This results in the average farm holding being so small that very little produce is left over, when the cultivator and his family have been fed and he has paid the rent and taxes. But it is of course out of this margin that the purchasing power for industrial products has to be found. Industry must be limited by this, except so far as it can export, and the possibilities of successful export in competition with the advanced industrial countries are necessarily restricted. The improvement of agricultural production in China—and some improvement is certainly possible in spite of the restricted area of the cultivable land—is not the alternative to industrial expansion, but the condition of it.

The best attitude to adopt towards prospects in

China is one of restrained optimism. There is now a better chance of political stability, but it cannot be regarded as assured. If this chance is taken there is an opportunity for considerable development, the more because of the low level from which progress would start; and it is perhaps true that, under these conditions, the expansion might be greater than in any other great region of the world. At the same time the measure of any practicable expansion, in the foreseeable future, must not be estimated merely on the basis of China's population and its unsatisfied needs. For these needs cannot be satisfied on anything like western standards, so long as the congestion of population and deficient methods of agricultural production leave so small a margin over the food consumption of the cultivator himself. Progress in China may well assist a new expansion in the world as a whole. It is unlikely to be the principal factor in it in any near future.

INVASION

I only thought the days grew warm
And scarcely noticed in the sky
The birds come north, the migrants fly;
I never looked for bees to swarm.

All unawares, one day I found
The buds were coming on a tree,
And, looking closely, I could see
The brave life lurking underground.

Then, like a sudden chivalry,
The south wind loosed her battle's van;
All night the swollen rivers ran,
And morning brought the victory.

W. A. BREYFOGLE

THREE DREAMS

There are three dreams which haunt each mortal man,
Three stark dreams, other than
Those misty things he dreams in his life's span.

The first is of his mother, dead.
Her coffin cushioned head
T'wixt walls of wood—or lead.

The second is the woman that he will
Swear to love for good or ill
Ere one of them is buried stark and still.

The third is this, will he
Essay to immortality,
Or rot to nothing like a fallen tree. . . ?

BERTRAM A. CHAMBERS

The Canadian Forum

Monetary Control

A Public Works Money Standard?

By W. C. GOOD

THERE is a pretty general agreement that one of the causes of the outrageous disparity between the productive possibilities of modern industry and our very meagre realization of those possibilities is the mal-functioning of our monetary system; and a variety of explanations and remedies have been offered. Obviously we have not yet got to the bottom of the matter, and perhaps, in the end, some relatively simple solution may be found.

It is obvious that very early in the development of civilization much exchange took place by way of barter, assisted by rude methods of keeping records of mutual obligations. It is also obvious that, on grounds of convenience, many kinds of commodity money came into common use as media of exchange, and that gradually the use of the precious metals, for well-known reasons, became popular and widespread. Inevitably, too, the medium of exchange became the common *standard of value*. Then, as time went on, paper money came into vogue, sometimes merely as certificates of deposit of the precious metals, and sometimes essentially inconvertible. Finally, with the development of modern banking systems, we have devised a new kind of paper money, which operates through cheques, drafts and so forth, and which is essentially a system of records. All this is a long and interesting story, and unfortunately the later chapters of it are not yet generally understood, so that there are yet many people who believe staunchly in the pleasing fiction that all our bank "deposits" are normally convertible into gold. Even big bankers too, get the cart before the horse in alleging that they can only 'loan what people have deposited'.

Now, there are several respects in which our present monetary system seems bound to function badly. If we tie up to gold we find that there is no necessary relationship between the amount of gold we may possess or secure and our need for a medium of exchange. If we get away from gold and use paper we have the problem of control; while if we depend upon 'bank credit' or 'deposit currency' we find psychological influences tending toward tremendous and ruinous fluctuations. It is in respect of this last named kind of money, which now forms 90 per cent. of our medium of exchange in Canada, that we find an inherent difficulty of reconciling a private profit-seeking banking system, dealing with private profit-seeking customers, with stability of the standard of value. Therefore, all over the civilized world, we have agitation for stabilization of purchasing power, for a 'managed currency'; and everywhere we see the establishment of 'central banks' for the purpose of trying to bring some order into a condition of monetary confusion or chaos.

Now up to date practically all remedial suggestions in the field of monetary control look towards the deliberate regulation of the flow of purchasing power or money so that price-levels and the pace

of economic activity generally may be kept fairly steady; and price-index figures, along with other records which statisticians have developed notably in recent years, are expected to serve as guides in making this regulation. The situation as pictured may be well illustrated by reference to the steam engine. If we can imagine the engineer with his hand on the throttle-valve and watching a speed indicator we shall have a fairly correct picture of the situation. But as a matter of fact, we do not often regulate the speed of steam engines in this way. We might do so with reasonable effectiveness, and it is done in the case of locomotives. But ordinarily we depend upon automatic governors where the centrifugal force of whirling balls controls the admission of steam to the cylinders. Mechanical engineers are familiar with a great variety of automatic controls, much more reliable and delicate than the human individual, and coming more and more into use.

Now, is it possible to apply this idea of automatic control in the regulation of our monetary system? Defenders of the gold standard point with pride to the automatic stabilization of the exchanges by the use of gold in the settlement of international balances; and there seems no doubt that any movement for the general restoration of the gold standard will have this in view. The gold standard of the past has now, however, so many defects that we are disposed to cast it overboard and try controlling the speed of the economic engine by hand. The most stupid kind of deliberate control could perhaps not be worse than our experiences during recent years. Still, it were wise not to trust too implicitly to the wisdom, benevolence and vigilance of the controller, if it were at all possible to devise a system with at least a moderate degree of automatism about it; and with this in mind I have watched for something of this character. Apart from a return to discredited old methods I have seen nothing until quite recently. However, within the last two years I have come across suggestions from three sources which I now pass on briefly to FORUM readers for their consideration.

The first suggestion is that money should be issued somewhat as it is now under our Finance Act, that is, by the rediscounting of securities; and the claim is made that the volume of these securities offered is an indication and a measure of the need for money. I have not seen the details of the plan but I am disposed to think that it would hardly work without some careful restriction of the kind of securities eligible for rediscount and some deliberate adjustment of the rate. There is a certain automatic aspect to it, which current practice recognizes; but the plan does not impress me as being sufficiently delicate.

The other two suggestions are logically related though there may be no historical connection. The first, in point of time, was outlined in a book pub-

lished in 1912 by John Raymond Cummings, entitled *Natural Money*; the second is a book recently written by John S. Lennox, entitled *The Cause and Cure of Unemployment*.

The central idea in both of these books is a Public Works Money Standard, and the suggestions made resemble to some extent the proposals made elsewhere fairly frequently in recent years in connection with the relief of unemployment, and the more permanent stabilization of industry, through a programme of public works. Ordinarily, however, the usual suggestions in this connection involve the financing of such public works by reserves arising from heavy taxation in periods of abnormal business activity, which can be released in times of subnormal activity, or through the floating of bonds; and the first method is undoubtedly a case of 'managing' the flow of purchasing power. But the two new suggestions referred to go much farther, and contemplate quite new methods of issuing and regulating the flow of money.

Mr. Cummings' suggestion is that money should emerge in the form of certificates issued by the state to individuals, in return for services rendered. Money is thus continuously issued, and is also continuously retired by taxation. The difference between the rate of issue and the rate of retirement would be the rate of either increase or decrease in the money volume. The automatic character of the regulation arises, however, not from manipulations of taxation, which consist mainly in the collection of the 'unearned increment', but from the flow of labour between private and public enterprise. The state must provide continuously opportunities for the employment of labour in public enterprise, at a basic wage, subject perhaps to periodic adjustment; and there is, of course, unlimited scope for such activities. Assuming that this is done, the regulation is effected as follows: Suppose an incipient depression, brought about by a slight fall in the price-level. Wages in private enterprise begin to fall, or workers are laid off. Labour flows to public enterprise, where wages are, at least for periods, fixed. This flow of labour to public enterprise at once brings about an increased issue of money which tends to correct the price-fall, and counteracts the depression. A reverse movement of labour from

public to private enterprise, with consequent money shrinkage, takes place in the case of an incipient inflation. The influences affecting existing 'bank credit' money naturally work in exactly the opposite way to that which the people collectively desire, that is to say, an incipient depression tends to aggravate itself through the contraction of credit, and an incipient boom tends toward aggravation by the expansion of credit due to the stimulus of rising prices. But when money issues from the state, in proportion to the amount of labour employed in public enterprise, the governor does not work in reverse but properly, as in a steam engine.

Mr. Cummings has elaborated his idea in much detail, and makes striking claims for its efficacy. Here I can give only his central thought.

Mr. Lennox's suggestion is fundamentally similar, though presented in quite a different way. 'The use of public works as a money standard,' says Mr. Lennox, 'requires maintaining an unlimited market for them at a fixed or controlled price-level similar to that now maintained for gold. It would stabilize the buying power of the dollar by controlling the amount of effort required to produce a new one. It would permit the investment of all surplus productive power in capital goods, and put the ownership of that property, in the form of negotiable paper, into the hands of those who produced it. . . .'

Mr. Lennox claims that this system would effectively end unemployment—as seems obvious under the assumptions made as to the 'unlimited market'—prevent the exploitation of labour, and stabilize the real value of the dollar. He too has worked out his ideas in considerable detail, which cannot be discussed here.

Both these systems involve a good deal of state planning of public enterprise, but do not involve state interference with private enterprise. Obviously they do not solve the problems arising from international trade, and exchange rates. I believe, however, that they do merit study and that, as compared with existing monetary systems, they have unique advantages.

There is much yet to learn about money, and perhaps some adventuring in new fields. We learn to do by doing.

Saskatchewan Politics

By H. H. KRITZWISER

THE testing-time of the C.C.F. in Saskatchewan comes soon. Four political groups in the western wheat province are only awaiting the legislature's dissolution to fling all their energies into what promises to be Saskatchewan's most bitter campaign of its 29 years. The upthrust of the C.C.F. in Canada and the Farmer-Labour party, its affiliate, puts Saskatchewan's election in the forefront of Canadian political events this year.

A dissatisfied electorate, both rural and urban,

seething under nagging of nearly five years of depression, promises a toboggan to oblivion for the 'Co-operative' government of Premier J. T. M. Anderson, in June or July, the likely date of the election. Who will succeed to power?

Premier Anderson, a Conservative, heads a government of Conservatives, Progressives and Independents. Conservatives, holding only 24 seats in the legislature, have, since 1929, needed the votes of the four Progressives and the five Independents

to govern. The Co-operative government rode into power on a widespread protest vote in 1929 against the machine rule of 24 years of Liberalism. Added strength came to the Conservatives with the injection of religious controversy, fathered by the now defunct Ku Klux Klan.

This government, like all others reigning in the era of depression, has spent prodigally—sometimes necessarily, sometimes not. Relief bills in the last three years have meant expenditures of millions of dollars. But before that millions were spent on road construction greatly increasing the public debt of the province.

Chances of re-election for the Anderson government are slim. Many of its own followers privately confess the likelihood of defeat. One thing is sure: it is an unpopular government and few unpopular governments can run the gauntlet of both unpopularity and depression. Besides, a strong opposition exists in Saskatchewan. This springs from the Liberal party and the politically untried Farmer-Labour party.

Liberals, despite the trouncing they got in 1929, (one that surprised them) are still strong and vigorous, though perhaps not as strong and vigorous as in those halcyon days of the twenties. After the 1929 election, Conservatives gleefully cried, 'The Liberal machine is smashed'. They cried too soon. The Liberal organization to-day is functioning with a smoothness and accuracy approaching its days of unquestioned power. An example of its fine organization was shown in the October federal by-election in Mackenzie constituency. Organization counts in politics. It wins elections. Liberals have reason to know that. And they are relying on that.

Four years of dry crusts have brought little change in the Liberal party. James G. Gardiner, stocky one-time premier, is still its leader. He is not popular but he is an able man and strategist. His lieutenants are experienced politicians, Patterson, Uhrich and Davis, all former cabinet ministers. The party holds 27 seats in the legislature, where it constitutes the largest single group.

Independents in parliaments are often politically impotent. But the Independent group in Saskatchewan for five years have played a part far exceeding the importance of their numbers. This has been due to the ability of their renegade Liberal chief, Carl Stewart. This group may be a midget Goliath when the votes are counted this midsummer. In Saskatchewan the Independents have become a personal party machine for Stewart, who holds the highways portfolio, one of the most important. Stewart, clever, bold and ruthless, through his assumption of leadership of the leaderless Independents in 1929 brought power to Anderson and his Conservatives by guaranteeing support. Stewart got the highways post—and in this province the highways department with its extensive work, its employees and its huge expenditures of money, can be useful. Stewart is losing no opportunity to further a return of a handful of Independents. Provided they are sufficient and no party holds a majority, he may again become 'the kingmaker'.

Since its organization two years ago, the Farmer-Labour party has grown to impressive proportions. When old party politicians 'view with alarm' in Saskatchewan they usually mean the strength of the Farmer-Labourites. The party was an outgrowth of the desire for political action by the Saskatchewan section of the United Farmers of Canada. It was later augmented by an alliance with the Independent Labour party of Saskatchewan. Farmer-Labour leaders played leading parts in the formation of the C.C.F. at Calgary.

Disjointed times, low prices for primary commodities, unemployment and the increasing swing of the populace to the left have built the party to a hefty force. It promises a fight in nearly every Saskatchewan constituency. Its socialistic policies are winning recruits in both farmlands and cities. Farmer-Labour meetings are crowded. The farmer wing, of necessity in an agricultural province, is the dominant. While Labour ranks are active in the few cities, they are weak. But with the rapid growth of C.C.F. clubs with the past year, the party is fattening well in urban areas.

To judge from the immediate situation the party's chances of winning an election are not the best. But they certainly are not slim. Its sinews are the general sentiment for economic change and experimentation. If sentiment only counted, the party might leap to power. But organization is a powerful factor—and it is in organization and lack of money that the party is weak. In M. J. Coldwell the party has a dynamic, able and popular leader. His popularity is growing. An urban Socialist, a school teacher, he was surprisingly elected leader of the Farmer-Labourites upon the organization of the party. His first attention was won in the Regina municipal field where for ten years he was an alderman. The formation of the Independent Labour party was due to his energy and leadership.

Prophecy is precarious. But one is on fairly safe ground in foretelling the defeat of the Co-operative government. Liberals possibly may win enough seats to assume the reigns. But looking over all factors, that is not probable. A stalemate is a highly possible result. No party will command a majority. In such a case, Mr. Stewart with his independents, may exercise control. His alliance with Farmer-Labourites may be dismissed. Though he likes no Liberal he might be willing to join with Gardiner in the face of a Socialist opposition.

Still another possibility, and not unlikely, is a 'concentration' government of Liberals, Conservatives and Independents to stave off growing Socialist encroachments. In any case, Canada will probably see an official Socialist opposition to be added to that of British Columbia.



Liberalism on the March

LIBERRRRRALISM is on the marrrch!' 'Left! Left! Left, right, left!'

As the Canadian Liberal Party has swung along the road to its unknown destination a gaunt piper has marched ahead of the main body, and the piercing music of his instrument has drifted out across the darkening land.

For four years they have marched, and for four years the musician has kept step with them, puffing and blowing into the bags with a persistence that was bred probably long ago among the northern mists of Assynt. He has been a tragic figure, gallantly striking up 'The Bonnets of Bonnie Dundee' on innumerable occasions that were specifically designed for 'Flowers of the Forest'.

But now, at last, it seems that the piper has struck.

Turning points have been fairly frequent with him. There was one when he strode down from Assynt to Edinburgh, a braw lad hardly capable of speaking that English language which he has used with such persistence ever since. There was another when Mackenzie returned from the war and went into politics in British Columbia. At that time one caught references to 'the coming leader', for members of the Legislature were justifiably impressed by the wild, Celtic oratory, which in the case of Ian Mackenzie is allied to a rare knowledge of the classics. There was yet another when he was suddenly appointed Minister of Immigration, Soldier Settlement, Colonization and Indian Affairs in the King Cabinet of 1930.

From that turning point to the present, Ian Mackenzie has been piper for the Liberal Party. In the process he has quickened the dead and slowed up the living. Ironically, his loquacious radicalism has served as a smoke screen to cover up the Liberal retreat from the Twentieth Century. Who would suspect when Ian Mackenzie's great fist came down among the coffee cups and unfinished ham of the banquet table that great things were not toward? Who could presume to question the high destiny still in store for Liberalism when Ian Mackenzie's ringing voice was lifted in protest against the iniquities of the time and Ian Mackenzie's determined chin was pushed forward as he enumerated the points of his programme of reconstruction? On such moments Beauharnois became but a memory and Taschereau only a name. It was only when the pipes were stilled, as the piper paused for breath, that unpleasant realities crept back again.

It is difficult to tell why the piper suddenly decided to march away from the main body of troops and to do a little solitary piping. The hidden springs which determine a man's action are infrequently revealed, even to himself. But it has not been easy for Ian Mackenzie to hold the attention of audiences acutely conscious of economic collapse. He has had to be committal, to designate specific evils and suggest specific remedies. Because he was expected to

say radical things, he said radical things, and they have turned him into a radical. It would be unfair, of course, to suggest that this is the complete explanation, for he has worked for the cause of liberalism exuberantly and with apparent sincerity, but the fact that he has served as liaison officer between a reactionary party in disguise and their disgruntled constituents has sharpened the edge of reality for him.

The inevitable break became apparent as early as 1931. The Vancouver Scot began to ally himself to the cause of monetary reform. Furthermore, he grew definite in regard to controlled inflation, the Central Bank and debt reduction. He served a useful purpose for the Liberal high command, whose ever present problem of how to make the hopeless 'liberalism' of Quebec palatable to the naturally liberal West had been intensified by the advent of the depression.

"Money," he cried in Vancouver on September 27th, 1932, "Money must be dethroned as dictator and must resume its real place as the servant of humanity," and he proceeded to outline his conception of a publicly owned Central Bank. Promptly from Ottawa came the intimation that in no way did the speech of the Honourable Ian Mackenzie at Vancouver indicate party differences, but simply the forward looking attitude of the Liberal Party as understood by its leading members. The essential dishonesty of that suggestion became fully apparent when the main body of the Liberal Party refused to oppose the Conservative proposal for a privately owned Central Bank, leaving Ian Mackenzie and a few fellow rebels to hold out for what he had been advocating, in the name of the Liberal Party, for more than two years.

That incident may prove to be a turning point in his career because it made forever clear the fact that as long as he remains in the Liberal Party, as it is at present constituted, his oratory will be used, not for the achievement of the objectives he desires, but merely as a vote-catching stunt to permit the most reactionary leadership with which Canada has been threatened for more than two decades to creep back into power.

It is not the first time that a man of his race has been so used by fellow politicians. Ramsay MacDonald's rather sickly uplift was ruthlessly employed by the Conservative Party in the election which brought the National Government into existence in Great Britain. His desertion of Labour at that time was the first definite step toward obloquy. It marked the beginning of the end of his dignity and the years which have elapsed since then have turned that unfortunate old man into perhaps the most pitiable public figure of this present age of perplexity.

Ian Mackenzie is still a young man, forty-four years of age, and he has before him the terrible example of what vanity and the machinations of politicians have done to a Lossiemouth lad. It should not be difficult for the lad from Assynt to make his decision.

D'ARCY MARSH



IVAN
GLAVKO

Mittens and Mud

By MAURICE COLBOURNE

'The censorial eye of this city's morality squad, lately turned from a scrutiny of the evils of burlesque, was focussed last on the stage of the Royal Alexandra Theatre where, reports from divers indignant citizens had it, a most "risqué" and, in some scenes, "suggestive" comedy was being performed.' Toronto morning paper.

THE recent interference by Toronto's police with *Reunion in Vienna* is a social phenomenon of more than passing interest. Before discussing it, however, I have two introductory remarks to make. One is that I regard the police in this matter as mere agents, and therefore not culpable themselves. And the other thing is that I feel fairly free to speak the truth, as I see it, visitor though I am, not only because the editor is presumably asking me to speak the truth, as I see it, but also because Toronto, and not I, is richer as a result of *Reunion in Vienna* by several thousand dollars.

There is a type of mind in the world which we can call the Prohibition mind. As an example of the harm done by it one has only to remember the hideous and debauched results of its (happily abortive) attempt to enforce alcoholic prohibition in the United States. The Prohibition mind is neither new in the world nor is it confined to questions of alcohol. We remember, for instance, how the Puritans of Cromwell's day sought to stop bear-baiting, not because it was hard on the bears but because it gave pleasure to the spectators—which is also an example, incidentally, of how wrong motives can sometimes produce good results. Generally speaking, however, the point about the Prohibition mind is that it either creates evil where none was before: or, if evil does exist in whatever sphere happens to be under consideration, latently, the Prohibition mind draws it out and underlines and parades and magnifies it; and, worst of all, finds itself utterly powerless to deal with or destroy the evil it has thus created or magnified. Alcoholic prohibition, for example, both increased drunkenness and failed to cope with the additional evil it had created. Again, when an author hears that his book has been banned he shouts for joy, knowing that his sales will increase.

Prohibitions and inhibitions, these two are inextricably intertwined. They are like our old friends the hen and the egg—which came first? And the trouble is, when you indulge in inhibitions, that you dam up the normal, healthy rivers of your being with the refuse of ignorance and the cement of wrong-thinking. The result is that these rivers, having to go *somewhere* for as long as your appetites remain potent, overflow and seep underground, and finally seek a shameful egress through sinister channels into whose dark and murky recesses we do not propose to penetrate. That is the job of the medical practitioner or the psycho-analyst.

For the layman there is nothing to be done about the Prohibition mind except to recognize its presence in the world and to make the best of it. The world has its dirty minds just as it has its criminals, lunatics and morons. As amateurs in neuropathology we can, of course, and ought to, try to let sunshine into those sinister channels and endeavour to undam those rivers, but so long as a mind persists in functioning as a Prohibition one the only practical thing is to keep it firmly in its place. This place, as one correspondent remarks, is 'the gutter level of culture and intelligence'.

But it is a pretty kettle of fish, or an ugly one, rather, when the sparse residents of the gutter presume to sit up and speak for the wholesome multitudes on the sidewalk. The fact that some of them wear mittens or mutton-chop whiskers, or are the wives or husbands of people occupying some prominent public position, gives them no mandate; it only accentuates the lamentable indignity of their squalid position in the gutter. The fact that some of them are advanced in years gives them no mandate, either; it only means that while they are old enough to know better, actually they are entrenched more deeply in the gutter than younger dirty minds.

What! asks someone, have I no respect for silver hairs as such? Let me point out immediately that the survivors of what the author of *All Quiet on the Western Front* rightly called the Lost Generation, to which I have the supreme honour of belonging, together with the members of the post-war generation, have considerably less than no respect for their elders of the pre-war generations. Why? Because those generations, having brought up their children in what is now called the Victorian manner, which is now seen to have been nothing but a hocus-pocus of cruelty and fear (Barrett in *The Barretts of Wimpole Street* is a perfectly true picture and sample), having brought their children up, in short, in the manner of the Prohibition mind, they then proceeded to fashion the world into an impasse from which the only escape was a bloody war which they were too old to fight themselves and which therefore we had to fight for them. No, to-day silver hairs, far from being objects of reverence, carry with them a standing guilt of quite appalling weight.

To revert, the denizens of the gutter have no qualifications to speak for the wholesome pedestrians on the sidewalks. Especially when the question of numerical strength is considered. A telephone survey of one thousand homes in Toronto undertaken in the ordinary routine of theatrical business a few days before the police intervention revealed only one person who disliked *Reunion in Vienna* (or point seven five two of those who had seen the play). Now on the principle of live and let live, no one can object to a Prohibition mind provided its owner keeps it to him- or herself. But

the most tolerant person in the world would be justified in objecting very strongly indeed if a few Prohibition minds which together represented less than one per cent of all the minds acted in such a way as to cause defamation and financial damage. For this reason I, the most tolerant person in the world, object to the poison emitted by this insect, this less than one per cent, this Prohibition mind, this flea.

It seems foolish, I admit, to turn big guns on to a flea. Nevertheless, if you are exhibiting, let us say, a Beauty Queen to the public and a flea chooses to bite her nose, the temporary ugliness may be considerable, and if one's bread and butter depends on the beauty of one's Beauty Queens, one is at least entitled to make it clear beyond a peradventure that the lady's swollen nose is not her doing, or yours, but the flea's. In the case in point, if we did not think *Reunion in Vienna* a true Beauty Queen we would not have exhibited it in the first place, since we are neither purveyors of ugliness nor exhibitors of freaks.

And that is at once the heart and the impasse of the matter. If you see nastiness, suggestiveness, indecency or immorality in *Reunion in Vienna* you are in one camp. If you see a quintessential truth and beauty in it you are in the other camp. Each camp has its spokesmen. According to the papers the former sees in it 'two hours of vulgar sensuality', and thought it 'an insult to any woman to ask her to sit through it'. From the latter camp come a host of opinions from which I choose the following, for most of them are so rigorous in their condemnation of the flea and its bite as to be quite unpublishable. 'I saw it', writes a lady from Thamesville, 'and was so glad that my two young sons were with me. We have been discussing it ever since. The power of words, the new applied psychology, all brought us nearer to "the New Day". Surely it is a "new day" that is needed in little Muddy York, and we of the rural country pray for it'. Which camp you find yourself in depends, I am convinced, upon whether you have or haven't a Prohibition mind, for you get from a play or any work of art only what you bring to it. And that is all there is to be said on the subject.

If I am not misinformed, there exists a body of opinion which would make it a legal offence for artists to paint the nude within Toronto's city limits. This body of opinion is, of course, the same flea jumping in another direction. It is seeking another nose to bite and disfigure. It is useless to tell the flea that if an artist approached his nude model with the indecent feelings with which the flea invests him it is highly improbable that the picture would ever get painted. It is useless to tell the flea anything. The only thing to do is to lead it gently but firmly back to the gutter whence it jumped, and so keep it out of the studios. It is important to do this, because this flea of the Prohibition mind, like jealousy, grows by what it feeds on, and if allowed untrammelled action it will bring any community to a tragedy and tyranny similar to those suffered in the United States when it was allowed untrammelled action in the matter of alcohol.

Samuel Butler, on learning that Montreal had been presented with a copy of the *Discobolos* and had covered it up and stowed it in an attic because it wasn't considered respectable, was moved to write his famous poem, 'O God! O Montreal!' But that was many years ago, and Montreal long since put that childish kind of thing behind it. To-day, should the neighbouring province cast up a poet who is conversant with the current activities of its own cultural life, I hope he will not make Samuel Butler's mistake of confusing the flea with the city, or the one freak wallowing in the gutter, its delicately-mittened hand erotically clasping a piece of mud to be thrown at Beauty whenever she happens to show her face in any unexpected guise, with the ninety-nine healthy citizens on the sidewalks. But—it is up to these ninety nine to see that this distinction is made; unless, that is, they are perfectly content to pass under what would be the world's last word in dictatorships—the dictatorship of the Flea Prurient.

MOON MADNESS

Harvest moon has tricked me
Harvest moon has pricked me

pricked me with
I know not what
tricked me with
a moon laid plot
elfin eyes and
moon pale face
dew cool lips and
moon embrace
moon dazed hunger
stumbling after
shimmer of shadow
echoing laughter

moon in a room
nothing of sleep
moonlight and shadow
quiver and creep
outside the moon blue
shadowy trees
shivering under a
moon touched breeze
quiver and shimmer
but cannot forget
the dew cool shiver
of lips dew wet

moon madness has me
and never again
will the moonstruck heart of me
ever be sane.

EDMUND FANCOTT

Revolt in a Desert

By D'ARCY MARSH

WHEN George awoke that Sunday morning he had more clearly than ever before the feeling that he had gone, or was about to go, completely off his head.

It was not an entirely new sensation. It was, rather, a regular Sunday morning experience intensified, the direct result of the previous evening's festivities. The trouble was that George's nervous system invariably suffered more than his stomach. Indeed, more than once he had found himself amazed at the paradoxical nature of those early morning moments when he alternated between wondering whether he would have eggs or sausages for breakfast and resisting the urge to go out and throw himself under a train.

This particular morning, however, the sense of unreality with which he awoke was not dispelled by the usual unpleasant, but inevitable, surge of consciousness. Ordinarily he came back into the world from the alcoholic retreats to which he retired over the week-end directly he recognized his surroundings and without any sustained effort of will. The necessity to do something about his face, to find some mouth wash, to see how much money he had spent helped to drag him up from the pit and usually by noon he had merged once more into the mechanical, meaningless life around him.

In those early morning moments he achieved a certain ultimate virtue, a sort of inner vision, which no doubt were largely responsible for the faintly suicidal nature of his condition. It was as if he were face to face with Truth, unpleasantly naked, with his resistance so lowered by excesses that he could not help looking at it with appropriate shudders. And usually he rather welcomed the returning flood of petty considerations which drove it out of his mind. He had wondered sometimes if any of his friends ever passed through the same experience, but he had never plucked up the courage to ask them. In his world it was not quite done to mention such neurotic considerations; they did not come within the meagre range of topics that could comfortably be discussed. How would one reveal such morbidity to the girls whom one took out to supper dances—those girls who all smiled the same set smiles, who looked at you with appraising eyes and who covertly made dreary jokes about virginity—or to the young men in dinner jackets who said 'How do you do?' as if they were remembering that, but for the grace of God, they would still be pleased to meet you?

The curious thing was that these people also got tight at supper dances, most of the younger girls with the tacit permission of shocked parents who were too weak-minded to admit their inherent, if diluted, puritanism, and George never seemed to be more violently abandoned than they. But if they too ended the evening in some gloomy jungle of the mind, took a sort of alcoholic holiday from reality and their own dreary company, they never be-

trayed the fact. He had decided that they probably remained in the world, fully conscious of everything and only a little more noisy than usual.

* * *

THE reason why George took so long to get hold of himself that morning was that he was in a strange room, the strangest in which he had ever regained consciousness. When his eyes finally came unstuck, they lighted upon a picture of a woman in a green dress with flaming hair tied up in a bun. Above her, suspended apparently from a chandelier, was what looked like a bunch of bananas. And Olga's enraptured outpourings suddenly came back to him. Olga had liked the picture, though she was unable to say why. Most people could not say why they liked pictures, but George had never met anybody before who cared for pictures like this one. He turned away with an unaccustomed feeling of biliousness, and saw on a little table close to his bed a wilted lily sticking out of a half empty quart beer bottle. Presumably Olga had playfully put it there before she had gone away to wherever she had gone. It looked sad and ashamed in the bottle, but she had probably considered the idea a beautiful one at the time.

A curious creature, Olga. He had decided to take her out in order to teach Millicent a lesson. It had been a toss-up between Olga, who did nothing, and Snuggles who cleared away dishes in Childs'. To take Snuggles would have taught Millicent a more severe lesson, but the price would have been too great. George's mental contacts with Snuggles were founded on banter and he knew, from bitter experience, that an evening of synthetic back-chat gleaned from tabloids and the talkies was even more to be dreaded than the politely pornographic interest of Millicent's decorous friends in the progress of each other's amours.

And so he had taken Olga to the supper dance, an angular and soulful Olga in a zig-zaggy dress that was startling without being beautiful, and had valiantly appeared to be having a glorious time whenever some friends of Millicent had granted him an amused smile. And if he hadn't been inveigled into visiting Olga's friends afterwards, in this Temple of the Future erected in the wilderness of Toronto by a couple who had defiantly decided to live in sin, it wouldn't have been so bad.

But he had gone, partly he supposed out of curiosity, and sketchy memories began to assail him. There had been a great deal of cigarette smoke and everybody had apparently been determined to be bucolic at all costs. The fear of being bourgeois seemed to pursue them down endless corridors like an avenging fury. The Sinful Woman had worn her carnality self-consciously, as alertly sensitive to any suggestion of respectability as her mother had probably been to the hint of sin in others. And names came back to him—Matisse and Cezanne and Stravinsky endlessly mouthed, with unabating rapture.

He must have ended the evening in a more alcoholic condition than usual because the last thing he remembered was somebody suggesting that he might go to bed on the sofa.

* * * * *

HE sighed and closed his eyes. Well, he had started out to teach Millicent a lesson, and incidentally had got one himself. It was funny to think how the evening he had spent would shock the people of Millicent's world—the people whose emotions were slowly being set free by cocktails and whose minds would go down in strait-jackets to the grave—and how dreadfully similar they were to the people of Olga's world whose minds had been half-freed probably by some chance contact with D. H. Lawrence, allied to commercial unsuccess, and whose emotions would never let them forget the fact.

But the zero hour was passing. Presently he would get up and dress and leave this place of angles. Then he would meet Millicent somewhere, probably at the Club, and she would say 'I hear you were at the supper dance' and smile that damnable little smug smile to which there is no answer.

The walls of the prison were closing around him, the prison where blank people chattered and moved about without getting anywhere, and stocks went up and down, where Millicent played bridge bloodlessly and rode and danced with the same people until three, where the unrhythmic Olga blatted about rhythm and Snuggles cleared away dishes from eight to five, pausing occasionally to repeat a wise-crack with her enjoyment of it unspoiled by usage.

He dozed off until the Sinful Woman came in with tea in a funny long green cup.

VARIATIONS ON A PROUSTIAN THEME

'Aimer est un mauvais sort comme ceux qu'il y a dans les contes, contre quoi on ne peut rien jusqu'à ce que l'enchantement ait cesse.'

This sorcery to which I have succumbed,
Which holds, fantastically potent, close
Within its vicious magic circle, bound
And prisoned my poor spirit—how to break
Its sinister enchantment?

Yesterday
There was a crescent moon in a pale sky
And swaying trees, patterned with tiny buds
Carved delicately like the breasts
Of growing girls.

Through the expectant branches moved a wind
Playing a spattered Mozart melody
On distant quivering strings—
Eine kleine Nachtmusik.

*Leise zieht durch mein Gemüt
Liebliches Geläute*

This sudden crashing discord breaks
Through harmony and subtle counterpoint.

No glamorous enchantment this:
Nothing but witchcraft
Grotesque and dolorous.

This slender moon
Is a two-edged and poisoned scimitar;
These waving trees
Black shadows tossed about a pallid corpse.

Glory and loveliness have passed away

What Daedalus
With cunning artifice devised this maze
This labyrinth in which I find myself
Caught intricately? O to break away

To walk alone
Bitter and full of grief
Quoting Marvell and Donne
In cynical relief.

This desperate monotony of day and night
Comes to a full stop when I come to you.

Listen
To the crescendo of our rhythmic hearts:
After a climax it will die away
And you will say, 'Passion is good,
But constancy is negative at best —'
And I, with torment-laden pleasure will
Prostrate myself, weep and most likely wait
For a *dal segno* to begin again.

*Ah, love is bitter and sweet,
but which is more sweet
the sweetness or the bitterness?*

When there are no more remembrances
No more restless agonies
No more wasted hours
No more sudden births and deaths,
The spell will be broken.

With the opening and shutting of a door
I shall be free once more.
Only when the sunset throws
Its challenge of a flaming sword
Or when a word
Suggests the subtle perfume of a rose,
These obsolete emotions will conspire
To taunt me with the potency of lost desire.

REGINA LENORE SHOOLMAN



Theme and Variation

By LEO KENNEDY

ON a not ungenerous stipend from the Classic-Moderne Dress Co., Dodo Finestone, stylist, and swan of Manhattan, maintained a rose-lighted apartment on Upper Grand Concourse, and a tailored little gentleman friend on whom the lack of assurance sat.

Dodo was large, florid and hennaed, her well-upholstered person was always draped in the creation of the week-after-next; and she had an aggravating trick of toying with a costly jade ornament that hung like a pendulum on her ample front.

As became one who had risen obliquely in the world, Dodo's accent was groomed and purged of vulgarities to an extent that impressed former acquaintances from the East Side, whenever she had the ill luck to meet them. It was only in moments of stress or liquor that the *oi's* crept back into her enunciation: when she was emotional or very drunk they sported and frolicked like the sales staff of the Classic-Moderne Dress Co. on their annual convention at Montreal.

Yet Dodo was a nice girl, her friends admitted, though she did keep company with a pint-sized man named Charlie Bloom, and attended musical events with a persistence worthy of something higher. Not that Dodo derived any intellectual stimulus from the philharmonic concerts to which she dragged the resisting Mr. Bloom. Music to Dodo could be evaluated in terms of tipling: she wept over the Princess in Scheherazadet with the same fervour that she clutched the immaculate coat sleeve of the unhappy Bloom throughout the Second Movement of Beethoven's Seventh. The Bolero's exhaustive measure made her jaw drop and her bosom heave; at such times little Mr. Bloom regarded her apprehensively. She reminded observers of a female spider about to breakfast, and the imaginative could hear Mr. Bloom's bones crunching in anticipation.

Coupled with this avidity for symphonic programmes was a love for her 'art', which label specifically designated svelte creations of feminine costuming that found their way on to the backs of the clientèle of Sak's and Klein's alike. For Dodo had genius without intelligence; taste without discretion. Her designs could transform a dowager into a post-debutante, but in the case of her own apparel, judgment perished.

Trudging behind these passions at a respectful distance, came her mother-wife love for the homunculous Bloom, whose life with her was a bed of rose-coloured satin and multi-course dinners at the Royal, made horrible by enforced music fests. It was a quaint if common sight to see Dodo and her meek entourage in the line-up for the half dollar seats at the Lewisohn Stadium, preceded and followed by shock-headed N.Y. students, and impecunious, tweed-clad, expatriate English.

Dodo used to stand in line with a stuffed leather

pad to cushion her generous haunches, tucked under her arm. Mr. Bloom always demurred that fifty cent seats reflected no credit on Dodo's income, and was always summarily squelched. The Stadium, she felt, was by way of being a Shrine to Music, and pilgrims to the oracle should visit without ostentation. Not that Dodo phrased it that way, but that was the general idea. Besides, the cushion was comfortable enough. They used to trail into the open bowl on hot summer nights—the diffident Mr. Bloom to sit and squirm; Dodo to embark on an emotional debauch.

II.

THEN something occurred to disorganize the even tenor of their love-life, though the cause of the rupture was not at first apparent. Beula Lawrence née Beckie Levitt, who modelled at the Classic-Moderne for eight dollars a day and her shoes and stockings, broadcast in confidence that Mr. Bloom's attempts at the masterful manner had precipitated the trouble. That provoked mirth, since the demure Mr. Bloom could hardly be imagined bullying a sparrow, let alone a tower of strength like Dodo Finestone. Some intimates declared that the Bloom had tearfully stood at bay, saying so help him he was through with being a mascot, even if Dodo did meet the costs. Others, more Freudian in their perspective of human peccadilloes, submitted that Mr. Bloom's insufficiency and Dodo's excessive capacity for affection had rather more to do with it than one surmised. Still a fourth voiced opinion protested that Dodo had met her definite soul mate over lemon tea and strudel at the Second Avenue restaurant, and that Bloom would have to gigolo some place else.

As it was, Dodo gave a party one Saturday night, with authentic gin for the low in spirit, and a delicatessen supper for the starved. It was a novel party for Dodo to give, since as well as Beula Lawrence and the dress goods crowd, her apartment echoed to a stampede of freaks and eccentrics from the Village. A voluptuous mannequin who wrote jazz for a living, and dressed entirely in scarlet to accentuate a wax-pale face and Lucretia Borgia eyes, posed at the piano and slurred out Chopin for a muzzle-faced Polish sculptor with dirty finger nails. Strenuously competing with the Pole for attention was an obese agent of art-supplies, whose beringed fingers and black goat beard conjured up thoughts of his Bulgar antecedents. A pair of vixenish, dry-chested brunettes sprawled on Dodo's luxurious divan, and regarded the pianist with avid stares. They shared a studio together, Dodo rather dazedly informed her cutter Max Bernstein, and made artistic photographs of nudes. The other guests of a type.

Standing in the midst of this cheerful group, Dodo stared about her with distressed, calf-like eyes.

She fumbled nervously at her prized jade ornament, and looked plaintively at the back of a tall, burly man who was engaged in thrilling Minna Harris. It was for this distinguished member of a company of Jewish players, with the square-locked jaw and fine eyes, that Dodo had arranged the party; his friends now cluttered the apartment and made the old guard of Dodo's intimates exchange uncomfortable glances. These faithful looked vainly for Mr. Bloom's retiring figure, and Willie Patcher, who finished everything before he had properly started, asked between hiccoughs where was 'ittle Bloom. Dodo flushed in a maidenly way that left Willie sobered and staring, and said she'd been through with Bloom for a month, and wouldn't Willie care to meet the actor Mr. Zackman. Willie said he didn't mind if he did, thereby giving Dodo the excuse she wanted to distract Mr. Zackman from the Harris woman, who was brazenly commandeering his attention.

Mr. Zackman turned at Dodo's plaintive bleat, and, after staring at Willie Thatcher's bibulous eyes for a full half minute, took his proffered fingers in a bone-crushing grip that spoiled the poor fellow's evening.

It was unendurable to see the great Dodo, ordinarily as composed and self-sufficient as Gibraltar, wilt like a week-old lily in the bulky presence of her recent choice. Her wide stare flickered and extinguished coyly under her lashes; her vast bosom rose and subsided like a tide at the moon's pull. The lips that had issued so many reprimands to Mr. Bloom now curled back in a simpering smirk at the bat of Mr. Zackman's velvet eye. Willie Thatcher, whose good nature had been extinguished by a painful hand and abrupt sobriety, reflected glumly that it was like watching a pink elephant wind up for a bashful terpsichore at the onset of *delirium tremens*.

Everybody, including the importunate Bulgar, said afterwards it was a poor kind of party.

III.

WITH Dodo in her new and ill-suited rôle of the lamb that gambols on the green, her friends fell away from her and left her leisure entirely at the disposal of Mr. Zackman. She still attended concerts regularly, in the company of her bulky actor, who had a genuine feeling for music, but they never appeared in the cheap seats now since Mr. Zackman would have none of them. He took Dodo severely to task for what he called her vulgar preferences, and had no patience with the damp emotionalism that Tchaikowsky excited in her. Dodo must have chafed under his tuition, but she was still ponderously in love, and her devotion condoned a multitude of snubs that made her few remaining friends suffer for her. They took it badly that Dodo's personality was in eclipse.

Such stories as were current failed singularly to represent Mr. Zackman as a creature of sweetness and light. There was talk of Dodo 'phoning the office one morning, saying she was home with a temporary ailment, which on Beula Lawrence visiting her in the lunch hour with candy and condolences, proved to be a very black eye. Dodo sheltered in the

Bronx for a week, and emerged feverishly gay, with a lurking tremulousness in her vivacity that belied the pose.

Beula was upset to see this once fine woman, nervously clutching at her precious jade, thinning appreciably as weeks passed by, albeit wearing clothes that became her for a change. She came down to the showrooms twice, considerably the worse for cocktails, and complained that her 'art' was losing its savour. She snapped at Bernstein in a way that overwhelmed him, and increased his embarrassment by apologizing directly after.

At the new series of concerts which started at Carnegie Hall, Dodo looked jaded and haggard beside her blooming escort, whose well-being appeared to increase in direct proportion to Dodo's decline. It went on in this way till Beula Lawrence spoke to her sharply one afternoon.

Beula said Dodo was falling apart, and that she'd better put the skids to Zackman for God's sake. Dodo fumbled at her pendant and breathed hard; Beula was astonished to see the woman shake and slump into a chair like a half filled bag of straw. Beula took Dodo by the arms to steady her, and the great creature started to wail.

Dodo said she couldn't quit Zackman because he was the greatest thing in her life, dearie, though he *was* hard. She said she'd go screwy if he left her, sure she would, and that anyhow, she was screwy now. She dabbed at her cheeks where the tears had damaged her florid complexion, and said that it was awful nice of Beula but that she must go on.

Beula patted her shoulder vaguely, and said damn Zackman, damn him anyway.

IV.

HOW Dodo Finestone got her womanhood back is still discussed in clothing circles. Willie Thatcher swears that Zackman struck her once too often; he got it from Dodo's janitor who was called up one Sunday morning by neighbours, to quell an uproar in the Finestone home. Thatcher's evidence is open to query, since he detested Zackman after that handshake, but it is true that Dodo turned on her actor and broke his head with a pottery lamp. There was quite a business since Dodo went berserk, and had the unconscious man half-throttled before the janitor and his pyjamaed storm-troop could pull her off.

Nobody saw much of Dodo after that; she missed the rest of the winter concerts, and people nodded shrewd heads, saying Dodo and her folly were well parted. When the Stadium concerts started again Dodo suddenly appeared, restored in flesh and hideous clothes, vigorous and assertive as before. She attended them faithfully, and it was a common thing to see her in line for the half dollar seats, the stuffed leather cushion tucked under her arm, and that pilgrim-at-the-portal expression on her face. Her new friend, Mr. Herman Rosen, regularly attended her; he was a shy little man in immaculate clothes, on whom the lack of assurance sat.

The Jew in Canada: A Reply

THE question of the position of the Jew in Canada has hitherto been given but scant consideration by thinking Canadians. There is, to be sure, no dearth of expression of opinions on the subject in print and in public discussion. But most of the utterances are either the venting of splenetic prejudice or the airing of vapid pieties. The Jewish people as individuals and as group entities present a truly interesting phenomenon. And it would not be amiss for intelligent Canadians, particularly those of a liberal turn of mind, to attempt to place the Jewish problem in its rightful setting in their general outlook on life.

When we came across Mr. Stewart McCullough's article in last month's issue of *THE CANADIAN FORUM*, entitled 'The Future of the Jew in Canada', reassured by the standing both of the author and of the publication, we felt a surge of hope that here at last we were to be treated to a scholarly presentation of the subject in its deeper significance. The article was disappointing. It was puerile. Indeed, though it had a few plausible spots, it was, in the main, flimsy, illogical and gratuitously confusing.

Mr. McCullough opened his article with a puny parade of a few bits of historical and statistical curiosities, probably imported from Ripley's 'Believe It or Not' emporium. Their purpose was apparently to create atmosphere, to produce an impression of scholarship. But the anaemic little facts perished of inanition. They had no relation to the subsequent material. They may have entertained while they lasted, but they were irrelevant and served no real purpose.

His observations on the contemporary relations of the Jewish minority to the dominant majority are trite and inconclusive. The Jews, he tells us, are managing to enter into the spirit of the Canadian scene quite nicely. Nevertheless there is rampant what may be called a Canadian brand of anti-Semitism. What are the causes of this ill-will? Mr. McCullough adduces three main reasons. The first is the psychological tendency on the part of Canadians to dislike the unlike. The second reason is that the Jews are 'unnecessarily aggressive' in asserting their legal, political and civil rights. It may be timely to interject here parenthetically that this alleged reason is utterly absurd. The Jews in Canada enjoy title to these rights, and it is difficult to understand where and in what manner they are unnecessarily aggressive in asserting them. Are they getting or seeking more than their due share of political recognition? If anything, in all fairness, it must be admitted that Canadian Jews have been rather underpaid than overpaid in the matter of political honours. Again, in the realm of rights, when one is entitled to certain rights, one is justified in demanding one's due. To get less means conceding unwarranted privilege to someone else. On the other hand, if one seeks more than one's just share, then it becomes a question of asking for pri-

ileges and not for rights. It can hardly be claimed that Canadian Jews have ever received an unearned meed of civil, political or social preferment. And they surely cannot reasonably be censured for requesting that shortages be made good.

However, to get back to Mr. McCullough's main line of argument: The third cause of anti-Semitism is the belief in certain circles that the ethical standards of some Jews are somewhat different from those generally observed in the business and professional world. At this point the writer proceeds to cite several conversations which he had had with different people, among them a house salesman, an insurance agent, a lawyer, and a couple of girls at the University who had never danced with Jewish young men, which go to show that feeling is rife against Jews in non-Jewish quarters.

Mr. McCullough has managed blithely to reduce the whole problem to a simple formula of three causes, one of which has been shown already to be patently meaningless. However, in further examining the three sources of unpleasantness, Mr. McCullough is prompted by his innate sense of fairness to concede that on all three counts, it is really the non-Jews who are guilty. The gentiles, in the final analysis, have no right to harbour prejudices against people just because the latter are different. Again, the non-Jews are not justified in sitting in judgment on the shortcomings of their minority neighbours so long as their own hands are not clean. Mr. McCullough adjures his fellow Christians to seek to improve their own standards of ethics, and he is also confident that Judaism is quite able to provide its Jewish adherents with the necessary neutralizers of their faults.

What have we then learned so far about our problem? Very little, indeed. To summarize briefly, we have been informed that the gentiles here dislike Jews firstly, just 'because'—because they dislike them, and then because the Jews are too aggressive in asserting their rights, and because certain gentiles believe some Jews to be unethical—the latter two reasons demonstrably unfounded. However, in any event, Mr. McCullough cancels all three reasons by admitting that the non-Jews are equally guilty; in short by permitting a set off of one side against the other. But do we achieve our purpose by performing this bit of arithmetical juggling? What, after all, is the real significance of the gentile-Jewish relationship? Have we discovered any fundamental principles operating in the situation that may be of help to us in evaluating the life situation that we confront from time to time? The problem obviously goes deeper and extends far beyond the few facts and their implications as presented by Mr. McCullough.

The title of the article promised a glimpse into the future. But instead of a prognosis we are vouchsafed morsels of advice to the Jews. The real reason for Jewish unpopularity in Canada is that the Jews

insist that they are a separate nationality, and in doing so run counter to the interests of Canadian nationalism. Let the Jews renounce their Jewish nationalism, and the barriers which now separate Jew from Gentile will disappear. In Canada there can be only Canadian nationalism, and Jewish nationalism must necessarily be treated as a hostile alien. There is, of course, still the matter of the Jewish religion. It, too, has the tendency of accentuating Jewish separatism. But there is an easy remedy for that, too. The cult known as Reform Judaism has long discovered the way out of the difficulty. It threw overboard all the impedimenta of Jewish laws and precepts and only left itself with the label for identification. Mr. McCullough's advice to the Jews is therefore to shed their orthodoxy as well as their Jewish nationalism, preserve the convenient tag of Reform Jews, and when they will have gone through the process of cultural and religious face-lifting, they will become pleasing in the sight of Canadians. Mr. McCullough, in short, counsels assimilation to the Jews as the price of complete acceptance by Gentile Canada.

There, of course, comes to the mind the situation of the Jews in Germany to mock Mr. McCullough's suggestion. The Jews in Germany did renounce their Jewish nationalism. They did trim their religion down to the vanishing point. Many of them adopted the dominant faith of their land. What did these acts of renunciation avail them? The German Jews in their fatuity had followed the path similar to the one charted by Mr. McCullough. Their course led to disaster. In the face of what has happened in Germany can one suggest the ways of German Jewry as a guide for Canadian Jewry?

Again, without considering for the nonce the deeper meaning of Jewish nationalism and of Judaism—something which Mr. McCullough does not seem to be able to appreciate—does it not appear to be rather presumptuous for anyone to come to a people with a two thousand year old history of suffering and martyrdom for a faith, for a *cultus*, and blithely suggest to it to surrender its essence for a mess of pottage? To be sure, the Jews might be expected to desire the good will and friendship of the gentiles. But can any sane gentile expect the Jews as a people, at this stage of history, willingly to barter away their heritage for a smile or a kindly word? This matter has been thrashed out years ago in Spain, and in Czarist Russia, and on many other fields where loyalty won out over the lure of material advantage.

Mr. McCullough with his penchant for reducing profound problems to dessicated formulae has simplified the concepts of Zionism and nationalism and Judaism into terms of abstract labels. He glibly advises Jews to shed their nationalism, as if it were a moustache that might be shaved off, or a tag that could be discarded. Jewish nationalism is a word that stands for the Jewish sense of attachment to a living source of values. Drop the word, if you will. But what will you do with the vital cords that con-

nect you with a past, with a history, with a group genius that has functioned and created imperishable goods for millennia? The term, Jewish nationalism, is an index to a tremendously rich repository of cultural achievements—a number of languages, philosophies, poetries, hymnologies, ethical profundities, folk wisdom—would it not be sheer vandalism to destroy such accumulations of spiritual treasures? Mr. McCullough likewise condemns the Jewish orthodox and Conservative wings as being the exponents of narrow credalism in contradistinction from the Reform sect which stands for progressivism in Jewish life. And herein he is likewise mistaken. Orthodoxy and Conservatism as cults cherish Jewish traditions and ceremonials as the embodiments of the deeper moods of Jewish religious consciousness under propitious conditions. Now the followers of these cults are no less modern and worldly in their personal conduct than the followers of the emasculated Reform creed. The difference between them and the latter is that they appreciate the symbolic value of their liturgy and ordinances and traditions, whether they observe them or not, whereas the latter have rid themselves of the bulk of the religious precepts and are prating about some imaginary, abstract mission of Judaism. Enough, however, of theological differentiae.

The question now arises: Is there any necessary conflict between Jewish nationalism and Canadian nationalism? Mr. McCullough suggests that there is, although he made no effort whatever to describe or define Canadian nationalism. Let us analyze briefly the meaning of the concepts Jewish nationalism and Canadian nationalism and see whether or not there is an inherent contradiction between them.

A nationality is a group of individuals. Each member of the group is presumed to have an elemental right to live. This means that he has a right to do certain acts, that is, such acts as are not inconsistent with the larger interests of the group. The sanction accorded to the individual to live does not cover all his acts. The right of the organism to live may then be construed to mean the right of the individual organism to do legal acts. Now it is possible for acts of one individual to coalesce with similar acts of other individuals, to form common mass acts. Such group acts have the same privileges as acts by individuals. The life of a society consists of a huge number of act alliances, each individual participating in any number of act alliances, or coalitions. Thus, for example, a man may perform religious acts in alliance with one group of individuals, say Catholics, and he may read Latin books together with groups of Latin scholars, and cheer for one hockey team in common with a set of hockey enthusiasts and so on, almost ad infinitum. All the groups of acts and interests are proper and legal, though there may be all sorts of differences of opinions concerning them within the society. Now designate the society we speak of as the Canadian nation. The life of the Canadian nation consists of the myriad action groups in which the members participate. The fact that the individuals are members of a single nation does not

impose uniformity of action on all the members. Suppose you have ten Canadians. They will probably all speak English and pay taxes to the same government treasury. But each may belong to a different religious sect, and you may have different combinations in respect of their liking of poets and novelists and movie stars, and political affiliations and baseball heroes and so forth. One may write a book, another may compose music, and still another may be a physicist. They may all contribute to Canadian national life.

Now suppose you find among this group of ten Canadians one Jew. This Jew is at the same time a member of the Jewish nation. That means that he performs certain acts in affiliation with other Jews. He worships together with them. He may be inspired by a Hebrew book, or a Hebrew saga. In the ordinary courses of events a Jew living in Canada, can perform only a small number of group acts together with other Jews. The majority of his interests will coalesce with those of non-Jewish Canadians. If he happens to be a lover of literature, he may have more in common with the non-Jewish literature lover than with the Jewish truck driver. And it so happens that the Jewish group actions are always legal as such. Jewish group interests, in the ordinary course of life do not conflict with the larger group interests of the land in which the Jews happen to live. Moreover, the special Jewish action combinations contribute to the variety and cultural colourfulness of the environment. The Jewish element in Canada is absorbed in the harmony of Canadian life and enriches it.

Jewish life in Canada is still young, and it is difficult to characterize its contribution. But look at England: Lord Reading is a Jew and a Zionist. His Zionist acts do not interfere with his other action combinations, no more than Stanley Baldwin's commercial action-groups interfere with his more conscious services to the country. Philip Guedalla is a Zionist. That does not prevent his writing good English literature. On the contrary, his Jewish element may furnish some special charm and some special notes, to his English prose. In the United States we find nationalist Jews like Justices Brandeis and Cardozo, and innumerable Jewish scholars and poets contributing actions that enrich the cultural life of the republic. They are full Jews and full Americans. Jewishness is a part of Americanism or Canadianism, and is valuable because it is deep and profound and laden with historic significance.

Jews are in the world to live. They have a right to live. They have a tremendous reserve of culture refined by centuries of wandering and suffering. They have much to contribute to the sum total of any nation's life. The question of the Jewish relation to non-Jews in any civilized country is one of the recognition of the rights of Jewish individuals to live abundantly and nobly so that their genius fructified by Jewish national consciousness may be of service to their country and humanity.

A. B. BENNETT



ART AND LIFE

ART AND ARTIFICE IN SHAKESPEARE, A Study in Dramatic Contrast and Illusion, by E. E. Stoll (Macmillans in Canada; pp. 178; \$2.25).

IT is something of a paradox that the Shakespearean critics of the nineteenth century whom we term Romantics should have been especially prompted by the spirit of literalism. Almost their primary concern was to prove the play an authentic psychological document and the characters copies of reality. It is against this conception of Shakespeare's drama, against this confusion of art and life, that Professor Stoll, relying largely on a critical method historical and scientific, has for nearly twenty years been the most strenuous crusader. In his early monographs on *Othello* and *Hamlet* and in his later *Studies*, his criticism was in the main destructive. He sought to explode this romantic fallacy of Shakespeare the careful psychologist. Shakespeare 'neglects motivation and analysis, takes a leap as he passes from one soul-state to another, and, not content with the inconsistencies of life, falls into the contradictions of convention and artifice'. But in the chapters on Shakespeare in *Poets and Playwrights* the emphasis was changed. There, with a clarity of which he is not always the master, Professor Stoll expounded his own mode of regarding the drama, and in particular analysed the methods by which Shakespeare achieved in his characters, despite their lack of mental consistency, the unique impression of vitality. Of its kind no more penetrating and significant criticism has in our time been written.

The present volume offers a synthesis and summary of Professor Stoll's chief contentions. Its centre is a reconsideration of the four great tragedies, and again his closest concern is with *Othello*. He repeats his basic thesis that situation, as Aristotle had insisted, is the core of tragedy; and the situation which dramatists have deemed best 'is that in which the contrast or conflict is sharpest and most striking, the probability or psychological reasonableness of it being a secondary consideration'. *Othello*, he holds, presents these conditions most perfectly. There Shakespeare has frankly accepted, and has asked us to accept, the convention that the calumniator against all probability is believed by the hero. This permits the superbly dramatic effect of the contrast between the Moor, at first innocent, noble and loving and, later, tortured by a sudden full-grown jealousy. The change is not true to life, says Professor Stoll, but it is true to the nature of the theatre. It achieves in the audience the emotional response which Shakespeare seeks. It fits in with the other artifices—the fiction of Iago's impenetrable mask, the obtuseness of Desdemona and Emilia's

seeming want of perception—to produce the required dramatic illusion. If we try, on the level of life, to relate such conduct to character, we go hopelessly wrong. We are then looking for a logical instead of an emotional coherence in the play. 'The test of truth in a tragedy is to be applied not to the facts but to the feelings.' By the sacrifice of psychological realism the higher imaginative harmony within the world of the play is achieved. We respond to the tragedy almost as to a great piece of music. 'The potent harmony, not only, as here, in the structure, but also in the words, which are as notes to be sung (together, of course, with the "human interest and semblance of truth") stills our scruples and misgivings, and "procures for these shadows of imagination that willing suspension of disbelief, for the moment, which constitutes poetic faith". We believe, not as convinced, but as enchanted and enthralled'. Nor does this deny the power of Shakespeare's presentment of character. But it is character which he presents, not minute psychological studies.

Few nowadays will deny that Professor Stoll has said admirably much that needed saying. He no longer flutters even the academic doves. But this does not mean that his thesis is to be accepted whole. In his rightful eagerness to trounce the psychological realists he has surely over-shot the mark. It is one thing to remind us that the greatness of the plays is not primarily a matter of psychology, to show that a poetic drama like that of the Elizabethans neither permits nor calls for the subtle mental analysis which may fit a modern novel. It is quite another to assert that in the conduct of his characters Shakespeare deliberately sought such contrasts as would in life be unreal, that he ignores motivation because he could rely on the audience's acceptance of a convention.

Take the case of Othello. Is it after all against human nature, as Professor Stoll would have us believe, that a man like the Moor, conditioned as he was, should have listened to the honest Iago and have acted as he did? It may be extraordinary, but the extraordinary is the stuff of tragedy. Yet, even if we cavil at this psychology, it is surely wrong to say that Shakespeare merely rests on the convention that Iago's charge will be believed. As far as the play-form allows he strives to make the change in Othello credible. One cannot witness or read the 'temptation scene' without realizing that. It is not merely the force with which the emotion in Othello is conveyed to us that makes us accept his new condition. For some Shakespeare may not have succeeded, but there is on his part no burking of the problem of the change. The only convention of which he here takes advantage is the inevitable telescoping of the process which the dramatic form entails.

So with Professor Stoll's contention that Shakespeare has suggested no adequate motivation for Macbeth's murder of Duncan. 'The only psychology possible', he says, 'is a morbid or abnormal sort—but that—is out of the question for a popular tragic hero in the time of Elizabeth'. But even if we admit that

ambition in an imaginative barbarian, spurred on by a strong-willed wife, and fighting against a sense of loyalty, is abnormal, where is the difficulty in crediting it? And why this implication that Shakespeare was of necessity limited by what is called the Elizabethan conception of a tragic hero? This is in line with Professor Stoll's refusal to allow any character significance to Hamlet's self-questionings in the soliloquies, because Hamlet had perforce been conceived as the popular strenuous avenger. It is surely not merely a romantic fancy that Shakespeare, follower of fashion as he was, might have had a thought beyond the popular mind of his time.

In brief, Professor Stoll pushes an excellent case too far. He has done more than anyone to dispel the older false notion that Shakespeare's art is primarily psychological. But from his zeal in this good cause, and perhaps from a too rigid conception of human nature, he has tended to shut his eyes to what psychology there is. Even in poetic drama the illusion of life is not evoked entirely by convention and artifice.

R. S. KNOX

LITERARY REPUTATIONS

ANNE CECIL, ELIZABETH AND OXFORD, by Percy Allen (Archer; pp. xvii, 268; 10s. 6d.)

IF Mr. Percy Allen is to have his way, Shakespeare has no title to the plays commonly attributed to him. Mr. Allen states his thesis thus: 'That the seventeenth Earl of Oxford wrote the greater part of some twenty or more of the plays published in the Folio, is a thesis now winning ever wider acceptance the world over; and of scholars qualified to form an opinion, only a few among them (*sic*)—and these the more elderly academic commentators—would, I suppose, be prepared to assert today, that William Shakespeare of Stratford-upon-Avon had a principal hand in preparing all the Folio plays'.

Is this startling? There is worse to follow. '(A) love-affair - - seems to have developed between Oxford and the Queen, approximately, if my arguments are sound, during the early fifteen-seventies, - - which culminated, probably during 1574, in the birth to Lord Oxford and Elizabeth of a son, who, but for the bar sinister of illegitimacy, would have become king of England, and, it may be, the founder of a new line of kings, to the exclusion of the Stuart dynasty.'

Mr. Logan Pearsall Smith, in a recent essay, wrote feelingly of the dangers which beset one about to study Shakespeare. Mr. Allen makes those dangers a thousandfold worse. His scholarship, if complacent, is fantastic. The book, fortunately, is not to be taken seriously. The arguments he advances in support of his theory that the Earl of Oxford wrote the plays break down upon even casual examination. With a really remarkable ingenuity Mr. Allen has set himself to show, in single lines and in scenes of the plays, what he contends are the noble author's references to his affair with Queen Elizabeth. These references, he says, would be per-

fectly understood by the spectators of the plays as they were produced, and especially by the members of the court. It seems clear that a playwright who should thus openly declare the frailties of his sovereign would write no more plays. Queen Elizabeth was not that careless of her own reputation.

Again, and it is a point Mr. Allen seems to have overlooked, in the days of Elizabeth plays were distinctly not regarded as literature. Witness the neglect of published volumes of plays, even by their authors. The stage was supplied by hacks, though one of them wrote *Hamlet* and *The Tempest*. The point is that, to one of Oxford's station in life, play-writing would be the last avenue of expression. Almost certainly he would have written poetry intended only to be read.

To say that the position Mr. Allen has taken up is untenable would be to labour the obvious. Two, and only two, of the objections to his thesis have been mentioned. The student of Shakespeare must still go for his facts to Sir Sidney Lee and to Georg Brandes. He will get from Mr. Allen nothing but confusion.

W. A. BREYFOGLE

EAST VERSUS WEST

COUNTER ATTACK FROM THE EAST, by C. E. M. Joad:
The Philosophy of Radhakrishnan (Thos. Nelson;
pp. 264; \$2.50).

THE title of this book indicates an interesting situation. The West has for some little time been subject to attacks from the East at many points. The public is most familiar with attacks of a political nature, and especially those which belong to the recent history of Indian nationalism. But quite apart from this battlefield there has been for a long time a conflict between eastern and western conceptions of life and its ideals. The combatants have not been lined up according to race or colour. The Indian philosophies have had a strong, though rather ill-informed, support from Hegel, Schopenhauer, and other western writers: it would not be difficult to show that the counter-attack had been for a century carried on largely by deserters from the more orthodox camps of western philosophy. Nor should we forget that the vogue of Indian philosophy owes a great debt to the Anglo-German Max Mueller and the wholly German Deussen, to mention only two of many leaders in the nineteenth century.

These matters do not interest Mr. Joad in his present undertaking. He limits himself, so far as he can control the pen, to Radhakrishnan. This eminent scholar, we may explain, represents the finest product of Lord Macaulay's original plan for education in India. He has been professor of philosophy in India for many years, has written one of the two great histories of Indian philosophy, and achieved the climax of his career (up to the present) as Professor of Comparative Religion in Oxford. All those who meditate on the 'satanic rule' of India by the English might take time to consider this last fact, and also to discover how many eminent Indians are

entitled to the honoured letters F.R.S. At the same time it does not follow that western ideals are or need be endorsed by these scholars, and it may be more profitable to both parties that they should remain in opposition. As critics they stand for the condemnation of that restless activity and senseless competition which to the onlooker seems the hallmark of western life. Did not Tagore flee in tears from a New York hotel? Perhaps he did the right thing, or perhaps he was simply maladjusted: we need not decide. Tradition speaks of the 'apathy' of the East, though any one who has lived in India knows that sweat and toil, rabid money-getting and bloody conflicts are about as common there as elsewhere. We have no space for argument. So far as Mr. Joad is concerned, the opportunity to contrast the idealism of the East with the materialism of the West is too good to be lost. He opens with the theme, 'Something is seriously amiss with the civilization of the West': he plays variations on this theme in a minor key: two hundred and fifty pages later he is saying 'to hit balls with pieces of wood or to kick them with leather boots . . . to kill birds and animals, to amble slowly over glazed floors to the strains of negro music . . . these for the average Westerner constitute the pursuits of the good life'. This is clearly philosophy diluted by journalism; but while it would be easy to show that Mr. Joad allows himself too much latitude for exaggerations and compromises, it would be more just to emphasize the real value of the book as a popular introduction to the work of a great writer. Hindu idealism, which is the main part of Radhakrishnan's doctrines, has points worth considering: there is a growing opinion that more attention should be paid to what philosophers call the higher values and politicians with unconscious humour label 'intangible things'. Many who are unlikely to explore the depths of Indian philosophy can get from this book suggestions of the point of view and some idea of the attitude toward the world which is still characteristic of millions in that part of our commonwealth called India. For this we may be grateful.

G. S. BRETT



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LAWRENCE AS STRATEGIST

T. E. LAWRENCE IN ARABIA AND AFTER, by Liddell Hart (Jonathan Cape; pp. 454, 9 maps, index; \$4.00).

CAPTAIN LIDDELL HART's book on Lawrence will probably have much the same effect on many readers as the study of Lawrence's work had on Captain Hart. Beginning with a feeling that the importance of the part played by Lawrence in the Arab Revolt had been overrated, he was brought gradually to the opinion that almost the entire significance of the revolt was to be found in Lawrence's action.

There are few reputations that the average man would more gladly have seen destroyed than that of T. E. Lawrence, for Lawrence had been singularly unhappy in his previous interpreters, and even his virtues were suspected to smack of charlatanism. His own *Revolt in the Desert*, magnificently written as it was, did less than justice to the originality of his conceptions, and the difficulties that lay in the way of their achievement. An excess of modesty, or even of reserve, is so unusual in these days as to arouse the distrust, and even the resentment of the casual reader, and even the vain attempts to retire into an obscurity that would enable the man to get on unhampered with work in which he was really interested, were almost universally misinterpreted.

It has long been apparent to anyone with some knowledge of and interest in military history and theory, at least outside the hypnosis of the professional hierarchy, that on the side of the Allies at least, the campaigns in Palestine and Arabia were the only ones that had any claim to military art. It has remained for Captain Hart to point out triumphantly that they are the only ones that had any real claim to military common sense, rising in the case of Lawrence's own operations, to unmistakable genius.

The favourite theory on the Western Front may be likened to the technique of stopping a runaway horse by standing directly in front of it. There is probably no department of human activity in which men learn less from the experience of their predecessors than in warfare, nor in which the greatest practitioners more accurately reproduce, over the gap of centuries, the plain and simple principles of their great models. It is vain for a Napoleon to recommend the attentive study of the campaigns of a Hannibal or a Caesar; only a Napoleon, apparently, can profit from such study. Lawrence had made an unusually detailed study of the art of war, even before 1914, and held firmly and unashamedly to the heretical doctrines that an enemy should be attacked at his weakest, not his strongest point, that the best general is the one who can achieve a given result with the least loss, that mere superiority of numbers and equipment are no match for mobility of action and flexibility of plan. He had in addition the great advantage of being a skilled geographer, and, what perhaps served him no less well in his peculiar position, an honest and unselfish man. Though hampered in his dealings with officials by an incalculable sense of humour, he maintained his ascendancy among the

Arabs by the same flexible, but uncompromising sympathy that had preserved Doughty some half a century earlier.

In chapter five of Book Three, Captain Hart gives, largely in Lawrence's own words, an illuminating account of the development of his strategic and tactical theories. The rest of this book, which comprises the main bulk of the volume, is a detailed exposition of the way these theories were put into action. Book One traces briefly Lawrence's previous life, Book Two outlines the historical situation that confronted him in Arabia, while Book Four summarizes the course of his life since the close of the campaign.

As one would expect from this author, the military chapters, with admirably polemic asides, display a strong sense of reality and sound historic judgment; the biographical passages throw an honest and revealing light on the enigmatical simplicity of the scholar who has excelled as man of action, and as man of letters, in grasp of detail, and in broad general views, yet has thrown away ambition to do unhampered the work that interests him.

L. A. MACKEY

RELIGION IN THE NEAR EAST

ISLAM AND MODERNISM IN EGYPT: A Study of the Modern Reform Movement Inaugurated by Muhammad 'Abdu, by Charles C. Adams (Oxford University Press; pp. 283; \$2.25).

ISLAM, perhaps more than any other modern world religion, insists on the sanctity of the language in which its teachings are clothed. It was thus particularly fortunate for the reform movement in Islam that it was championed in the latter part of the nineteenth century by a scholar of the calibre of Muhammad 'Abdu, whose influence facilitated the modernization of Arabic literature without breaking with the Islamic past, thereby enabling younger writers to breathe a freer and more invigorating air.

The impact of Western culture upon the East had already given rise to a crisis in Islam when Muhammad 'Abdu assumed the responsibilities of intellectual and religious leadership in Egypt. It was his distinction, as Professor Adams points out, that he devoted himself to reconciling the religion and culture of Islam to the attainments of modern civilization. To accomplish this it was necessary, he declared, to free the mind from the chains of belief-on-authority and to understand the religion of Islam in its essential aspects, stripped of the accretions of the past twelve centuries. These accretions, taking the form chiefly of a science of theology, were developed in defence of Islamic beliefs during a period of conflict with the thought of other nations. They represented an element alien to Islam itself, which instead of remaining simple and easy to comprehend gradually became difficult and involved.

The deadening effect of the tradition built up in this manner was a phenomenon to which Muhammad 'Abdu frequently alluded. 'The faith that is derived by mere acceptance of belief on authority',

he said, 'and not by conviction and assent, leaves its possessor still disturbed at heart and dead at soul.' He maintained that reason held the place of priority in Islam. It does not astonish with miracles, nor extraordinary occurrences, nor heavenly voices. The Qur'an itself is too elevated to be in opposition to science, and Muslims do not need to dispute with science over the correction of a few traditional interpretations of Holy Writ which modern discoveries have proved to be inadequate.

M. Horten in his *Muhammad 'Abdu, sein Leben und seine theologisch-philosophische Gedankenwelt* has expressed some disappointment that the Egyptian thinker failed to solve completely the major difficulties with which Islam was faced in his day. To weigh the thought of past centuries of Islamic history in the scales of modern scientific knowledge, to sift, test and eliminate, to adjust the thought of the past to the present, and to emerge with a reasoned and ordered system of thought which should combine the best of the old and the new—this was what the age required of its leaders, as Professor Adams suggests. But the American educator is perhaps more tolerant of Muhammad 'Abdu's failure to accomplish this full programme than was Horten. He sees Muhammad 'Abdu as a major contributor to a movement which it will take time to perfect, rather than as an isolated religious reformer whose work should have been complete in itself.

Professor Adams has given a brief account, therefore, of the work of Muhammad 'Abdu's predecessor, Jamal al-Din al-Afghani, and of a few of his successors—notably his chief disciple, Muhammad Rashid Rida. Justice is done to the attractive qualities of the latter's mind, although the account stops short of the Pan-Islamic Congress held at Jerusalem in December 1931, where Muhammad Rashid Rida made a notable attempt to inaugurate a series of brief and simple studies setting forth the essential truths of Islamic doctrine common to all sects, in the hope of uniting them in that revival of spiritual energy which it was Muhammad 'Abdu's chief hope to bring about.

Professor Adams has made use of his extended residence in Egypt to gain a wide and sympathetic knowledge of contemporary currents of religious and political thought. His study is a scholarly and timely contribution on a subject concerning which little has been published in English except in fragmentary and fugitive form.

ELIZABETH P. MACCALLUM



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THE LEGACIES OF FEDERALISM

THE PRINCIPLES AND PROBLEMS OF FEDERAL FINANCE,
by B. P. Adarkar (P. S. King; pp. 301; 12s. 6d.)

PROFESSOR ADARKAR, in his study of the principles and problems of federal finance, has brought a lamp into one of the twilight zones of public finance. The financial problems inherent in a federal system of government have been brought into the foreground of political discussion as a result of the extraordinary pressure upon the machinery and resources of public finance during a prolonged period of economic depression. In Australia and in Canada especially the experience of the past four years has revealed the weakness of the financial inter-relations of national and provincial governments. The revision of these relationships cannot be postponed much longer in Canada without imperilling other features of the federal constitution. The problem is not merely one of readjusting the subsidies payable to the provinces. It involves as well a reconsideration of fields of taxation and of the distribution of powers between the Dominion and the provinces. There is perhaps a measure of comfort in the discovery that we in Canada are not the only victims of the vagaries of federal finance. It would appear that instability of financial arrangements between national and provincial governments has been the common lot of federal states. To recog-

nize this fact is to appreciate the value of this first comparative study of the principles and problems of federal finance.

The material used in this analysis of federal finance has been derived from an examination of the financial systems of leading federal states, three of which are members of the British Commonwealth group, although the Union of South Africa has a doubtful title to federal status. The interest of the author in this field of investigation was stimulated by the application of the federal principle to India where he holds the chair of Economics at Benares Hindu University. One chapter of the text is devoted appropriately to the financial relationships embodied in the new federal constitution of that country. Other chapters contain a summary survey of the financial inter-relationships developed in the constitution and practice of the United States, Germany and Switzerland in addition to the British Dominions already mentioned. This section of the book suffers obviously from the deficiencies of brevity. The chapter on Canada, for example, contains here no reference to the important findings of the Royal Commission on Maritime Claims which opened the door to a thorough reconsideration of the whole field of financial relationships between the provinces and the Dominion. Moreover, the suggestion that there is much to be said for the adoption by Canada of the Australian precedent of dividing the field of taxation of incomes between the Dominion and the provinces can only be explained by the unfamiliarity of the author with the relative distribution of wealth and income among the provinces of Canada. It is also to be noted that the proposed division of the income tax field was not actually carried out in Australia, although it was proposed by the Commonwealth and was referred to the states for their adoption.

The most interesting and useful section of the text is that in which an attempt is made to deduce working principles from the study of financial practice in federal states. Of particular significance is Professor Adarkar's adoption and exposition of the theory of transferences, that is to say, 'the theory that welfare is maximized generally by making through the agency of taxation and public expenditures real transfers of consumable resources from the rich to the poor'. This theory is modified by the principle that the 'heap' of these consumable resources itself needs to be enlarged by the operations of public finance and that it can be enlarged by investment in human and material capital, designed to help future production. Having stated these propositions the author recommends that they be worked out in a twofold manner. In the first place, the states or provinces as such should endeavour to make real transfers between their citizens and at the same time maintain and enlarge the available 'heap'. In the second place, the federal government should intervene as a readjusting agency to effect a similar series of operations between the peoples of the states *inter se*. It is suggested that the main question in these operations is to be the relative per capita income

indices with the assistance of other basic indices of wealth. If the index for any state shows a declining tendency between successive years relatively to an average index for the whole country there is a *prima facie* case for special compensation in the matter of subsidies or subventions.

All this may seem to entail national planning on a scale not hitherto contemplated in this country, but the pressure of events is compelling us to acknowledge the necessity of a more deliberate development of our resources, and such a policy has much to recommend it in a federal state where national policies frequently reflect the political influence of the larger provinces and may involve at the same time the economic retrogression of other members of the federal household. It has long been recognized that provinces prejudiced by national policies have an equitable claim to compensating adjustments. Professor Adarkar has rationalized a tendency which has been apparent for some years in Australia and is now being recognized in Canada, the result in each case of the unequal incidence of transportation and fiscal policies pursued by the national government under the influence of provinces or groups of producers having a preponderant weight in the national parliament.

In no department of public finance has there been less evidence of prudent forethought than in the provisions of federal constitutions and legislation designed to regulate the financial relations of national and provincial governments. It would appear that when those who framed the constitution came to this phase of their negotiations they were content to accept the best available formula to reconcile the immediate demands of the federating provinces. Sometimes, in order to give stability to the relations thus established the character of finality was impressed upon the original arrangements. In other cases, provision has been made for the automatic increase in subsidies payable to the provinces in accordance with the expansion of population. In still other cases, a proportion of certain national revenues has been earmarked for apportionment among the provinces upon an assumed principle of distributive justice. Almost without exception, however, the hopes of stability founded upon these original settlements have failed of realization. This failure in itself suggests a fundamental error in the assumption of stability or finality in such relationships and points to the necessity of periodic revisions upon some equitable principle of adjustment and compensation. In the past, unfortunately, the story of federal finance has been a record of makeshift arrangements conceived in an atmosphere of political agitation and designed not infrequently to serve the narrow ends of party expediency. The true desideratum is an equitable principle of periodic readjustment of financial relations between the national and provincial governments. The work done by Professor Adarkar in this field of public finance is an important contribution to the solution of this perplexing problem of federal relations.

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RECONSTRUCTION—CONSERVATIVE AND SOCIALIST

RECONSTRUCTION: A PLEA FOR A NATIONAL POLICY,
by Harold Macmillan, M.P. (Macmillans in Can-
ada; pp. 131; \$1.25).

INDIVIDUALISM AND SOCIALISM, by Kirby Page (Far-
rar & Rinehart; pp. 367; \$2.50).

AS trade statistics become more cheerful our business men are insisting more and more openly that the world should be left to their acquisitive instincts as in the good old days before 1929. But it is clear that the depression, if it has done nothing else, has produced a new mental climate which is quite different than that which prevailed in the era of normalcy. Planning and control are now the conceptions which are growing in popularity in all western countries, democratic or fascist. And even in Canada our Mrs. Partington of the *Winnipeg Free Press*, with all the little Partingtons of the Liberal party to assist her, is sweeping more and more hopelessly against the incoming tide. These two books—one by an Englishman, a member of the Conservative party, and one by an American, the editor of *The World Tomorrow* and a member of the Socialist party—both illustrate the same tendency.

Mr. Page supplies a magnificent speaker's hand-book for any American socialist. The first half of it consists of an accumulation of facts and statistics showing how the system of rugged individualism really has worked in America. Large sections of it

are quotations from other works or from government reports collected to give a concrete picture of the wide disparities in wealth in the country, the concentration of economic power, the graft and the waste which has accompanied the process, and the uniform manner in which the plutocracy has resisted every extension of socialization hitherto. Nowhere else that I know of can the reader find so brilliant an illustration of the contrast between the theory of individualism and its actual social results in America. We badly need such a collection of facts about our similar social structure in Canada.

Mr. Page then proceeds to his own socialist programme of deliverance. 'This country, with its institutions, belongs to the people that inhabit it. Whenever they grow weary of the existing government, they may use their constitutional right to amend or their revolutionary right to overthrow and dismember it.' (These are not Mr. Page's words, but are quoted by him from Abraham Lincoln). He discusses what should be done about banking, agriculture, social insurance, taxation, and planning in general. The most interesting part of this latter half of the book comes in his chapter on communism in which he presents the case for a peaceful constitutional process of change as against the revolutionary process of violence which is envisaged by the communists. It seems to me that he proves pretty conclusively the futility of the communist technique as applied to America.

Mr. Macmillan belongs to the small group of younger English Conservatives who are trying to save their party from its die-hard majority. His book is clearly one of the most notable recent publications on social and economic policy, because it presents in the most advanced and detailed form the programme of those who believe that it is possible to reconstruct the capitalist system without removing the profit motive and without introducing a large measure of bureaucracy. It goes beyond the sketches which have been given by Sir Arthur Salter in various published lectures and attempts to give a concrete picture of how British industry would be organized in a planned capitalism.

His starting point is the belief that the World Economic Conference marked the end of an era. 'It approached its problem on the assumption that if agreement could be secured with regard to stabilization, tariff reductions, price policies and debt modifications, the larger question of the flow of world trade would solve itself. It was governed by the general assumption that its task was to remove an artificial superstructure of impediments to trade; and that once these were removed the old economic system would function again in the way it had done before. . . . The conference was studying effects rather than causes. Tariffs, exchange restrictions and the like are merely the political devices forced upon each nation in reaction to the market congestion which the spread of industrialism has produced. The world is equipped to produce more than the world markets will absorb. We begin to realize that we are not confronted merely by chance obstacles

to recovery subject to the political will of nations, but by problems of growth and change to which our social, political and economic organization must be adjusted. . . . Planning is forced upon us, not for idealistic reasons, but because the old mechanism which served us when markets were expanding naturally and spontaneously is no longer adequate when the tendency is in the opposite direction.'

Mr. Macmillan's programme is therefore to rationalize British industry into 17 groups of 120 particular industries, each branch of industry being reorganized to produce for a definitely determined market, and foreign trade being regulated so as to provide as far as possible for stability in both internal and external markets. Each industry would regulate its own internal processes and the ultimate regulator would be, as at present, the mechanism of price. 'The retention of the price system is the real dividing line between socialist and non-socialist ideas of planning.'

Mr. Macmillan presents his case in a very attractive form because he is so fair and moderate in all his statements. But obviously the book has two great weaknesses. The stubborn way in which the British textile and steel industries have resisted all schemes of voluntary rationalization up to the present gives no ground for his optimistic belief that a general rationalization of the whole of British industry can be carried out by appeals to reasonableness. Protection, he says, is no final solution. It is only a preliminary defensive movement; and the question is, preliminary to what? The British manufacturer has already given his own decided answer to Mr. Macmillan's question. Protection is preliminary to more profits for the manufacturer, and that is all he cares about; nor will all the persuasive argument of Mr. Macmillan serve to lessen his acquisitive appetites. In the second place, the book has little to say about where labour is to fit into all these schemes. The subject is discussed in a brief chapter, but Mr. Macmillan has no sympathy with the demand of labour for a share in the control of industry; and he concludes that 'mere jealousy of people better off than themselves has never been an important element in the British national character'. One would like to ask Mr. Macmillan to what this chapter is the preliminary. The answer is obvious. It is the preliminary to a system of fascism.

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THE POLITICS OF MONETARY MANAGEMENT

GOLD, UNEMPLOYMENT AND CAPITALISM, by T. E. Gregory (P. S. King; pp. xvi 308; 12s.)

ESSAYS ON MONETARY MANAGEMENT, by Jack Stafford (P. S. King; pp. vii 230; 7s 6d.)

THESE two books present an interesting contrast, interesting in that they are representative of the two main types of monetary literature being published at present. Dr. Gregory's book is semi-popular; that is to say, as popular as the intricate nature of the problems which he surveys will allow. Mr. Stafford's, on the other hand, is highly technical.

Dr. Gregory's volume contains eighteen essays and lectures, practically all of which have appeared in print during the past thirteen years. These are divided into five groups under the headings, Gold, America, Central Banking, International Trade, and Unemployment and Capitalism. There is much in these essays that will be of interest to the trained economist; and a great deal more which will be welcomed by the general reader, for few economists have Dr. Gregory's most excellent gift of clarity.

But both types of readers will find objections to the book. The specialist will regret that the writer's theoretical background is so essentially 'classical' (a more polite term than 'out of date'). Even the more recent essays suggest that he has not bothered to give careful consideration to the monetary theories of either Cambridge or London, or to the interna-

tional trade theories of Harvard. The general reader, who cannot hope to criticise but only to follow the general line of economic argument of so skilled a writer as Dr. Gregory, might well regret that the last essays did not come first. The next to last, 'An Economist Looks at Planning', would not only make an admirable introduction but would immediately disclose to the reader the political philosophy which accompanies the writer in his task of economic analysis. Every page of that essay proclaims that Dr. Gregory desires freedom, economic and otherwise, for its own sake. Economic freedom may facilitate greater production and wider trade; but whether it does or not, it is an end as well as, if not rather than, a means. The book concludes regretfully, 'We have, perhaps, worshipped freedom too much and security too little; it is enough for the economist if he can make it clear that both are jealous gods who will permit of no divided allegiance'. The proponents of planning Dr. Gregory regards as chiefly those who themselves long to pull the strings of power. 'The intellectuals who are now undermining confidence in the future of our present civilization may, then, as the paid servants of a bureaucratic state explain why freedom is a curse and liberty a crime. Let us hope that in due course the age of reason will return, and that mankind will find that the pleasures of malevolence are less satisfying in the end than those which free enterprise allowed us to satisfy.'

With such a love of freedom we may be in full sympathy, or we may hold that freedom is a bourgeois prejudice; but whatever we believe it is patent that such a zeal as Dr. Gregory's will leave its mark upon whatever he writes. It would have been well for the general reader to know, before reading the author's arguments against tariffs or regarding the narrow limitations of central bank control, that he was a passionate advocate as well as an analyst. And the trained economist does not look with the eye of charity upon the work of another whose vision is beclouded with faith and hope. It is no accident that Dr. Gregory's economic theory dates from the days of *laissez faire*. In all human eyes there are the ineradicable beams of prejudice, but surely it is less justifiable now than it has been for many a decade to regard the world as a place where free trade, free price movements, and the free adjustments of free agents to the forces of free competition are *prima facie* likely to take place.

Mr. Stafford's book is comprised of three essays: Income and Banking Policy, The Relation of Banking Technique to Economic Equilibria, and Central Banking Problems. These are of the English school of thought. They deal with a number of problems on the frontier of the theoretical progress made by such economists as Messrs. Keynes, Hawtrey and Robertson. It cannot be claimed that the book makes any startling new strides or discoveries; but those who are already sufficiently familiar with the ground will not regret retravelling it with such an observant guide as Mr. Stafford.

If Dr. Gregory is an 'old-fashioned liberal', then the school which Mr. Stafford has joined might be

called 'new-fashioned'. They believe in an increasing degree of management, and particularly of monetary management. Whether the processes of our democracies are likely to place that management in competent hands is a question which is considered (rightly) to be outside economics and therefore (wrongly) outside the field of discussion. It is a question which the Canadian parliament is trying to answer in the Central Bank Bill, and which the Liberal party has apparently failed to answer unanimously.

A. F. W. PLUMPTRE

EDUCATION IN THE WEST

THESE TWENTY-FIVE YEARS, by W. H. Alexander, E. K. Broadus, F. J. Lewis and J. M. MacEachran (Macmillans in Canada; pp. 113; \$1.50).

THESE TWENTY-FIVE YEARS—A SYMPOSIUM is a group of four lectures, reproduced largely as they were delivered in connection with the celebration of the twenty-fifth anniversary of the University of Alberta. A foreword is given by President Wallace, while Professor W. H. Alexander discusses general trends in university education during the last quarter century; Professor Broadus treats of English poetry, Professor F. J. Lewis of Concepts of Living and Non-Living Matter, and Professor J. M. McEachran of Philosophical Speculation during the period. As a conspectus and an estimate, concisely given, each lecture has distinct value, and there is a certain deeper interest in that the critical attitude is maintained throughout. One has seen nothing among Canadiana quite like this small volume where the definitive opinions of experienced scholars who have worked together in a pioneer university over a quarter century, with regard to values in the four vital subjects of education, poetry, science and philosophy, are brought together.

Professor Alexander builds up his case for the higher learning upon the noble definition of St. Thomas Aquinas given when discussing the speculative intellect '*Intellectus speculativus est qui, quod apprehendit non ordinat ad opus, sed ad solam ver-*



itatis considerationem'. Thus, in advancing his own 'Idea of a University', Professor Alexander speaks of 'those abstractions in which the chief glory of the university has always resided', notes with irony that 'the universities are either positively teaching the sacrosanctity of these (established political) institutions or negatively allowing it to be understood that they partake essentially of the divine government of the unwise', and confesses frankly that 'the function of the higher learning must—be among other things the prompt rejection of unlikely material and the assiduous cultivation of what remains'. His final expression of the university ideal as 'the living presentment of the love of truth for its own sake' admits of charges of quixotry, but he calls attention to the quixotic unworldliness, together with the practical wisdom, of the morals and economics taught by Christianity.

Passing from the general field of university aims, the reader comes next upon the fresh and illuminating judgments of Professor Broadus with regard to the various impulses illustrated in recent poetic history. He discusses Symbolism, the Celtic Revival, free verse, the idealistic and realistic treatments of war by our poets, imagism and the general emphasis upon actuality which is so marked in English poetry since the second decade of the century. He ends with an appreciation of Hardy, emphasizing 'ironic understanding' and 'magnificent patience'.

Turning from the zest and vivacity of Professor Broadus' literary estimates, the reader gains a certain pleasure by contrast when over the page he comes upon the gravity and seriousness with which Professor Lewis attacks the problems of modern science. He suggests that the present age equals in significance the Darwin period, though we have Einstein, De Sitter and Rutherford, for Lyall, Darwin and Huxley. He draws a fine imaginative picture of the pre-human world, and states that though great advances in knowledge have been made, 'the available weapons of chemistry and physics have not explained the ultimate character of the simplest living phenomenon'. Together with this negative note, there is however a final stress upon the infinite possibilities in man of development and achievement, a stress increased by the effect of Professor MacEachran's analysis of modern philosophical theories.

While Professor Lewis uses the gap between Pithecanthropus and the human of 1934 to indicate what man will some day be and do, the philosopher shows us Personal Idealism, Creative Evolution, Pragmatism, Instrumentalism, the New Realism, Behaviourism and Emergent Evolution as theories alike pointing to creative fulfilment as the key and the end to human history. This interpretation leads him to his final judgment which indeed seems to express the upshot of the book as a whole. 'That deeper understanding which is born of knowledge and of love will enable us to penetrate the inner secrets of life, to illuminate its true spiritual values and to give direction in the world of practical affairs'.

M. M. K.

HURRICANE

There comes the knock of rushing boughs;
Swift showers grate the pane.
Across my sleep drift heaving prows,
The ponderous roll and strain
Of flooded decks, a broken rail,
The sudden, gleaming height
Of crests that rise, immense and pale
From out the roaring night!

ALAN B. CREIGHTON

CONTRIBUTORS

SIR ARTHUR SALTER, K.C.B., has recently returned from making a survey of economic and political conditions in China.

RAYMOND MOLEY, formerly Assistant Secretary of State and chief adviser to President Roosevelt, is now the editor of *Today*, an American weekly.

MAURICE COLBOURNE is the producer of the play, *Reunion in Vienna*, in which he acted the rôle of Dr. Krug.

H. V. HODSON, who will contribute a regular letter from London, is a Fellow of All Souls College, Oxford, and assistant editor of *The Economist*.

R. W. HORTON, the author of the American letter, is a Washington journalist.

C. A. CURTIS is Associate Professor of Commerce at Queen's University.

D'ARCY MARSH, the former editor of the *Calgary Albertan*, is now editor of the *Weekly Sun*.

A. B. BENNETT is a graduate of Queen's University, where he held the gold medal in Mental Philosophy. He is a leading Canadian writer on Jewish problems.

LEO KENNEDY is a Canadian author, a volume of whose poems, *The Shrouding*, was published recently.

N. McL. ROGERS is Associate Professor of Political Science at Queen's University.

W. A. BREYFOGLE is an American by birth and now resides in Peterborough, Ont.

P. J. NOEL BAKER was Labour M.P. for Coventry from 1929 to 1931, during which time he was parliamentary private secretary to the Foreign Secretary.

H. C. GRANT is Professor of Agricultural Economics at the University of Manitoba.

H. CARL GOLDENBERG is a Montreal barrister and a lecturer in Economics at McGill University.

SHORT NOTICES

CHINESE POLITICS TODAY, by Harold S. Quigley (University of Minnesota Press; pp. 31; \$.25).

MANCHUKUO, by Harry Hussey (Port Dover, Ontario; pp. 113; \$1.00).

Anyone interested in modern China should spend ten to fifteen minutes reading this pamphlet, since Professor Quigley's scholarship and personal knowledge of the East have enabled him to compress into it a very authoritative and readable outline of Chinese politics in the last seven years, during which China has been ruled by a dictatorial coalition government of civilian leaders of the Nationalist (or Kuomintang) Party, and a junta of younger army officers.

Under this government there has been, in spite of civil strife, 'solid accomplishments in railway and road building, in municipal planning and reconstruction, in education, public health and many other fields.' In spite of this 'judging from the comments of scientific Chinese investigators, the government has lost the confidence and support of the masses.' This has been due, in the main, to the attempt by the government to unify China by force, which has involved harsh treatment of the trade unionists and radical students and vast military expenditures on unsuccessful anti-communist campaigns.

The foreign policy of the Nationalist Government is also condemned as a shining example of the 'futility of aggressive diplomacy in the hands of a weak military power'. China should have used Russia as a foil against Japan, but instead she broke with Russia in 1927, and attempted to seize the Chinese Eastern Railway in 1929.

Professor Quigley blames the failure of the League in the Sino-Japanese dispute on the sympathy extended to Japan by Great Britain and France. He argues that an Anglo-Japanese entente has existed since 1928, and a Franco-Japanese entente since 1907. The result is that 'China today is facing a Japanese programme of political and economic collaboration which the Japanese call "co-operation", but which presumably would amount to control over all China, similar to that which has been imposed upon Manchuria'.

The only hope for China in Professor Quigley's opinion is that her government should give up the policy of forceful unification of the country, for a policy of conciliation and provincial autonomy, under which domestic peace might be established, and the vast sums now spent on anti-communist military campaigns be used for constructive

measures to improve the economic condition of the country. The British, American and Russian governments should urge the Nationalist Government of China to adopt such a policy.

Mr. Hussey's pamphlet is very different from Professor Quigley's. It makes no pretence of impartiality, and is excellent official Chinese propaganda. Mr. Hussey, who was Counsellor to the Chinese Assessor on the Lytton Commission, outlines the case for China in her conflict with Japan over Manchuria, and underlines those passages in the Lytton Report which substantiate his argument. His story of the obstacles put in the way of the Lytton Commission by the Japanese officials in Manchuria is illuminating.

E. M. R.

RAINER MARIA RILKE, Poems. Translated from the German by J. B. Leishman (Hogarth Press; pp. 51; 3s. 6d.).

The Hogarth Press, to whom we owe a most valuable introductory translation of Rainer Maria Rilke's best known prose work: *The Notebook of Malte Laurids Briggs*, publishes a careful selection of the poems of this extraordinary German lyricist. But while Rilke's prose is not entirely untranslatable—a forthcoming English edition of his letters will prove it anew—the failure of at least one previous attempt to render his lyrics into English is not accidental. There is no possible way of doing justice to the musical flow of his exquisitely conceived images in any other medium but the original.

The present collection of thirty-five translations by Mr. J. B. Leishman does not, as one should hope and expect, include the German versions side by side with their English equivalents. But it is, on the whole, inoffensive and modest; and while it does not accomplish the impossible (by the very limitation of a translation as such), it confines itself to an often literal, never false, but seldom entirely adequate transcription of the poetic images. The obvious danger of introducing an element of precious artificiality into the English translation has not always been avoided. The graceful limpidity of Rilke's verses, his visual or acoustic sensitiveness seem to be most successfully reproduced in such poems as 'The Angel', 'The Unicorn' or 'The Stranger'.

We are again indebted to the Hogarth Press as well as to the translator—not so much for a perfect accomplishment as for their always stimulating attempts to introduce this most essential contemporary German poet to the Anglo-Saxon public. If the foreign reader is thus persuaded to turn to the original, a translation even of verses is excusable.

V. L.

THE ECONOMICS OF IMPERFECT COMPETITION, by Joan Robinson (Macmillan in Canada; pp. xii, 352; \$5.50).

The practical man demands two things of the economist, that he shall be realistic and that he express his views simply. The difficulty of reconciling these two requirements is made evident by Mrs. Robinson's book. As long as we assume 'perfect competition', economic analysis can be kept relatively simple. But if we attempt to deal with 'real' conditions of 'imperfect competition', the possibility of simplicity becomes small. But in this book very drastic simplifying assumptions are still made; for instance, there is no advertising. In a book called *Monopolistic Competition* (Harvard University Press, 1933), Professor Chamberlin has approached even nearer to reality and has inevitably retreated further from simplicity. Dr. Zeuthen's book, *Problems of Monopoly and Economic Warfare* (George Routledge and Sons, 1930), is another example of this difficulty, and Professor Schumpeter in his introduction to this book draws attention to it: 'The general reader will have to make up his mind whether he wants simple answers to his questions or useful ones—in this as in other economic matters he cannot have both.'

None of these books will be of interest to the general reader; all three of them should be read by all serious economists.

V.W.B.

THE ADVENTUROUS THIRTIES; A CHAPTER IN THE WOMEN'S MOVEMENT, by Janet E. Courtney (Oxford University Press; pp. 279; \$2.50).

The Adventurous Thirties is an attempt at a change in emphasis. Studies of the Women's Movement have, for the most part, been concerned much too restrictedly with the long procession of official protests, political manoeuvres, and suffragist heroics. We have had interminable statements of the theoretic rights of woman and very inadequate treatment of the amazing achievement and the compelling inner power of individual women to give substance to the claims. The human being has been obscured from us by an insistence on a doctrine.

Janet Courtney has made a contribution toward a more pragmatic approach. She maintains, with Harriet Martineau a hundred years ago, that woman's performance is the best advocate of her rights. She has limited the scope of her research to the 1830's because, while engaged in quite a different study, she became forcibly impressed by the incredible activity of women during this decade. Had the impulse behind the varied enterprise of this period been allowed its unhampered development,

Mrs. Courtney believes the position of women would long since have ceased to be debatable. Unfortunately, Queen Victoria gave lip-service, although nothing else, to the idea of the subservience of woman.

The book, under such headings as, The Poets, The Philanthropists, The Critics of America, gives independent biographical sketches of Mrs. Hemans, Elizabeth Fry, Frances Trollope, Angela Burdett-Coutts, and a dozen others. Mrs. Courtenay presents an accumulation of interesting, sometimes startling, facts about these women, whom a different age, with a changed attitude, has dismissed too negligently. The book becomes monotonous to some slight degree in certain sections, because of the unavoidable similarity of material.

M.I.C.

THE WORLD SINCE 1914, by Walter C. Langsam (Macmillans in Canada; pp. 742; illustrated; \$4.75).

The past twenty years have been a bewildering time for the average man. Crises and changes have followed hard upon each other. Old landmarks have been swept away; old faiths have been abandoned; new political experiments have opened up untried paths whose outcome is of vital importance for the whole world. An accurate and readable account of the progress of these developments is of the highest value.

Dr. Langsam is not the only writer to offer such an account, but that need not detract from the merit of his volume. It is an extraordinarily satisfying piece of work. Not only does he compress a wealth of accurate and essential information into a remarkably short space; he also presents it with an admirable clarity in view of the complexity of the topics with which he deals. His approach is objective without being dull or pedantic, and his judgment is eminently sound. It is a book which is clear, informative and readable, and which can be recommended without reservation to all who desire a balanced and authoritative account of the post-war world.

E.M.

BOOKS RECEIVED

The listing of a book in this column does not preclude a more extended notice in this or subsequent issues.

CANADIAN

STERILIZATION? BIRTH CONTROL?, by Helen Macmurchy (Macmillans, in Canada; pp. 156; \$1.50).

THE CANADIAN ATLANTIC FISHERY, by Ruth Fulton Grant (Ryerson Press; pp. xxiii, 147; \$2.50).

GENERAL

AMERICA MUST CHOOSE, by Henry A. Wallace (World Peace Foundation; pp. v, 33; \$.50).

GOD—OR NO GOD?, by H. D. Everington (Williams and Norgate; pp. 103; 2/6).

THE SKELETON OF BRITISH NEOLITHIC MAN, by John Cameron (Williams and Norgate; pp. 272; 15/).

THE COSMIC AWAKENING, by Christopher Pleydell-Bouverie (Williams and Norgate; pp. 173; 7/6).

HAS THE CHRISTIAN CHURCH A FUTURE?, by S. Tetley (Williams and Norgate; pp. 249; 6/).

GOVERNMENT IN TRANSITION, by the Rt. Hon. Lord Eustace Percy (Methuen; pp. 243; 7/6).

CONDITION OF INDIA, being the Report of the Delegation sent to India by the India League (Essential News; pp. xv, 534; 2/6).

KITTY VILLAREAL, by G. and M. J. Landa (Archer; pp. 343; 7/6).

RUSSIAN ENGINEER, by John Westgarth (Archer; pp. 223; 8/6).

CHARLES LAMB, HIS LIFE RECORDED BY HIS CONTEMPORARIES, compiled by Edmund Blunden (Hogarth Press; pp. 256; 7/6).

THE EVENING STANDARD BOOK OF BEST SHORT STORIES, Second Series (Archer; pp. 288; 3/6).

THEY'RE OFF! A JOURNALISTIC RECORD OF BRITISH SPORTS, edited by C. W. Miles (Archer; pp. 278; 10/6).

ECONOMIC NATIONALISM, by Maurice Colbourne (Figurehead; pp. 284; 3/6).

TENDER IS THE NIGHT, by F. Scott Fitzgerald (Scribners; pp. 408; \$2.50).

BETWEEN TWO WORLDS, by Nicholas Murray Butler (Scribners; pp. xv, 425; \$3.00).

GERMANY, PREPARE FOR WAR!, by Professor Ewald Banse, translated by Alan Harris (Macmillans in Canada; pp. xxvi, 427; maps; \$3.00).

THE IDEA OF NATIONAL INTEREST, by Charles A. Beard (Macmillans in Canada; pp. ix, 583; \$4.50).

A YEAR'S EMBASSY TO MUSTAPHA KEMAL, by Charles H. Sherrill (Scribners; pp. xv, 277; \$3.00).

THE TWO AMERICAS, by Stephen Dugan (Scribners; pp. xx, 277; \$1.75).

A PRIMER FOR TOMORROW, by Christian Gauss (Scribners; pp. 308; \$2.50).

AMONG CONTEMPORARIES

The present writer, for his part, is thankful that he has Hitler for his next-door neighbour instead of living in Queensland or California or British Columbia or some other paradisaic coast with Japan beyond the horizon. With these rather startling words Arnold Toynbee disturbs the peace of Canadians in a brilliant article. 'The Next War—Europe or Asia?', in the current number of 'Pacific Affairs', which is now being issued as a quarterly under the editorship of Owen Lattimore. Despite the argument that Japan is

looking westwards in the near future and that 'no Great Power in Europe or America is going to burn its fingers to pull Russian or Chinese chestnuts out of a Japanese fire', Professor Toynbee is not convinced that Japan is incapable of taking aggressive action against some of the Anglo-Saxon Pacific powers, even if to do so were tantamount to an extension of the individual tradition of *harikari* to a national scale. Professor Toynbee makes an interesting analysis of the Canadian position, in the event of an American-Japanese war; the strategic importance of Alaska for aerial warfare would turn British Columbia into another 'Polish Corridor' with obvious implications. The conclusion of this Punic struggle would at least bring about a 'Pax Americana' in the Pacific area, the price of which would be the destruction of civilization. The alternative suggested is that the nations concerned should provide some trade outlets for the frustrated Japanese farmers, so that they might find through legitimate channels what economic imperialism in the Far East has failed to secure.

If it is true that Hitler as a neighbour is preferable to Japan on the horizon, the degree of consolation that a European can draw from the statement is not unlimited. In a comprehensive article in *Current History*, Nicholas Roosevelt surveys the Austrian situation and gloomily remarks that 'the Nazis may, in fact, prove to be the real beneficiaries of the civil war'. The international implications of *Anschluss* or a return of the Hapsburgs are depressing in the light of the practical impossibilities of Austrian independence; it is only to be regretted that Mr. Roosevelt does not deal with the situation brought into being by the Mussolini-Dollfuss-Gombös negotiations. In the same periodical, Roger Mennevé has produced stimulating evidence of 'The Plot to Kill French Democracy', which has been materially assisted by the unrealistic strategy of the Republican Left combined with the reactionary efforts of the Church and the vigorous attempts of the Chiappe-Tardieu group to discredit parliamentary institutions.

Those who are interested in a revival of international trade will find much food for thought in Mr. G. D. H. Cole's lucid contribution to the April International Conciliation pamphlet, in which he demonstrates that national planning is the necessary prelude to international planning, and that the common approach to internal regulation and direction through international measures such as tariffs, quotas and so forth, must inevitably result in restriction rather than expansion.

STAGE and SCREEN

THE DRAMA FESTIVAL: CENTRAL ONTARIO FINALS

On the opening evening of the Central Ontario playoffs of the Dominion Drama Festival Mr. Rupert Harvey, Regional Adjudicator, made the following statement: 'The general level of production in the playoffs thus far has been equal to that in the finals last year.' A most gratifying statement, if accurate. One fears, however, that the kernel of truth contained therein—that the general level has improved satisfactorily—had been generously treated with the lenience which Mr. Harvey saw fit to use rather lavishly in his critical observations on inferior productions. A pity, because when Mr. Harvey was being himself he showed that self to be an experienced and discerning critic.

Certainly it is decent to let the producers and performers of a poor attempt down as lightly as is reasonably possible, but it is unreasonable to point to non-existent evidences of good intentions on the part of the director, and to suggest that an execrable performance is merely the result of very slight miscasting. Too, one regrets that, since Mr. Harvey's previous condemnation of *Wurzel-Flummery* as a play, he had apparently been warned not to pass judgment on any play which had been approved for production by the general committee. The writer completely disagrees with Mr. Harvey's opinion of *Wurzel-Flummery* (which, in fact, he considers almost a model one-act play) but he believes that the adjudicator has just as much right to express an opinion about the play as about the production. Let him hasten to add, however, that, as far as Central Ontario is concerned, the standard of plays chosen was good—only one thoroughly bad play (*Smoke Screen*) and three rather poor ones (*The Violin Maker of Cremona*, *Witch's Brew* and *The House With the Twisty Windows*) figuring in the list of fourteen. It was unfortunate, however, that no Canadian plays should have reached the finals, and that only one or two should have been entered at all.

As to quality of production, it was on the average good, and in a few cases superlatively good. It was with deep regret that this reviewer was forced to miss Maeterlinck's *The Death of Tintagiles*, which was evidently about as near a perfect production as possible of a play which, read, seems so intan-

gible, so vague, that one wonders what of definiteness could possibly emerge from a production of it. That Nancy Pyper was able to achieve a definite and unified effect speaks very highly for her ability as a director.

Another tour-de-force was Dixon Wagner's production of *The Road of Poplars*, by Vernon Sylvaire, a play which, only fairly well done, would have been almost unbearable. As it was, it was continuously gripping, never bathetic. Sidney Watson's role of the tourist, which he played with really remarkable restraint and nuance, was not, as Mr. Harvey claimed, far more difficult than that of Charley, which George Patton bravely undertook, and which he seldom overplayed. Charley is an hysterical man, and the behaviour of any man in such a condition is so incredible that it requires a great deal of artistry to keep a representation of it from being merely painful.

The above two plays, with Edgar Stone's justly-praised production of Tolstol's *What We Live By* (done in Malleson's adaptation as *Michael*) comprised the Hart House Theatre entries, and they left one rather bitter that their quality was in every way so superior to that of the full-length Hart Houses productions of the past two years. *Michael* is probably the best production Mr. Stone has ever made, and the voice work of Robert Christie was of such rich, sustained beauty that it was difficult to believe him a Canadian.

The Toronto Masquer's production, under the direction of Mr. and Mrs. Sterndale Bennett, of a lusty old farce, *The Devil Among the Skins*, was a delight. The setting represented the interior of a cottage whose outside walls actually appeared on stage, so that the eavesdropping tanner might do his peeping in view of the audience. The play itself is full of comic surprises, and contains what is probably the perfect unromantic line: 'Kissing's dry work! what have you got to drink?' Frank Rostance gave a rich and rollicking performance of the Tanner, and Constance Vernon's excellent playing reached its apex in her dance for the devil.

A play that ought to have become an outstanding production was *Minnie Field*, which is the best of E. P. Conkle's mid-western American comedies. Its great achievement is the virtual bring-

ing alive on stage, entirely by allusion, a woman who is lying dead in the next room. In this production (by the Toronto Central High School of Commerce Evening Class in Drama) the director, G. K. Alderson, achieved a great deal. The atmosphere was well created and sustained, the movements were very good, and the high open door in the back, with Mel half-silhouetted against the sky, was a splendid effect. But to an appalling extent he nullified this achievement by exaggerating the slow speech of the characters to a maddening degree. Not merely did the speakers linger on each word—which, properly varied, is the right treatment—but there was usually an actual, long and unvarying pause between words. The resulting effect was one of utter disjointedness, and culminated in ruining the best line in the play: 'It's layin' on her breast—there wa'n't no use wastin' two coffins.' Apart from this devastating blunder, the production was extremely good. Two performances—those of Albert State and John Morley—were very fine, two were good, and only one—Alt—was poor.

Any well-rounded dramatic festival ought to present at least one play dealing vigorously with contemporary life, not merely in a certain small region, but in a broad area which might well embrace the majority of the audience. Such a play is Sidney Box' *Murder Trial*, which was given a spirited performance by the Toronto Central Technical School Players, a performance which was unfortunately lacking in finish and marred by one or two poor individual attempts. *Murder Trial* brings into court on a nasty charge three selves of a young woman—her real, quite commonplace self, designated as Smith; the self—Dolores—created by a sensational semi-tabloid (striking home to Torontonians) for its shallow thrill-seeking readers; and that self—Faith—which a pious and sentimental journal feels its audience will demand of it. In the end Smith is cleared, and leaves to resume her nonentital existence, but Dolores and Faith are held for further use: they will never be dismissed. The play is a terse, caustic and unrelenting satire, and the director, J. E. Dean, fully caught the spirit. A great deal more rehearsing might perhaps have sent it to Ottawa, where its barbs ought to have penetrated a hide or two.

Another production making for a well-rounded festival was *Resurrexit*, a religious play arranged, directed and beautifully staged by Stephanie Jarvis, with the Miracle Players. While the pace was terribly slow, and most of the characterizations were chilled by a surfeit of reverence, the voice-work was effective, and the grouping, movements, costumes and lighting were very lovely.

Of the remainder of the plays, Tchekov's *The Artist*, directed by the Stern-dale Bennetts, at times seemed actually real; but slowness of pace and reverence for the Great Russian destroyed much of the effect, and it remains creditable chiefly because it occasionally succeeded, where amateur attempts at such plays usually fail completely. *Witch's Brew*, a long-winded, rather tedious play, was made still less real by women pretending to be men; *The Violin Maker of Cremona*, also a rather tedious play because of its many faintly purple passages and the lush sentimentality of its story, was slightly relieved by Roland Eves' comic performance and by W. C. C. Innes' good movements, which were in curious contrast to his elocutionary delivery; *The House With the Twisty Windows* contained nothing of the slightest merit except a good vocal performance by Peter Pickford (who was, however, very English instead of very Irish); and *Smoke Screen* was equally devoid of virtue, Margaret Tytler's consistent but not distinguished performance saving it from utter

Quality Has No Substitute

"SALADA" TEA

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"Fresh from the Gardens"

dreariness. On *Dartmoor* and the first act of *Outward Bound* were missed by this reviewer.

PAUL GARDNER



RADIO BROADCASTING

The Editor, THE CANADIAN FORUM,
Sir:

The flaws in the existing structure of our national broadcasting organization are such as to imperil the principle of a public system. The incident of Professor MacDermot's speech is but one result of the failure to remove the organization from interference and to differentiate between its policy-forming and its executive functions; there are many others.

In 1931, when the question of national versus private ownership was being discussed, the CANADIAN FORUM devoted considerable space to a full discussion of both sides of the question, and I should be grateful if you could find space for some brief comments on the present situation.

The Canadian public has the right to know why our broadcasting organization is not playing the part it should in our national life, for it was the Canadian public rather than the Conservative Party that first espoused the proposal for a national system.

In 1929, the Canadian Radio League was formed to organize public opinion behind its proposals for a national broadcasting organization. By the winter of 1932 when the Prime Minister

appointed a Parliamentary Committee to consider the question, the Radio League had secured the whole-hearted support for its proposals of a practically unanimous press, all important public organizations in Canada, and a large cross-section of business and national leaders. By dint of a protracted press campaign, resolutions from scores of powerful organizations, representations both before the Supreme Court and the Privy Council in support of the Dominion's case for jurisdiction, by numerous delegations to the Minister of Marine, and in a number of other ways, the League was able to convince the Prime Minister of the validity of its case and of the wide-spread public support behind its proposals.

What were its proposals? They were, first that a national broadcasting organization ultimately to take over the control of all broadcasting in Canada was necessary in the national interest and second, that the structure of the proposed organization should be somewhat similar to that of Great Britain, i.e., an independent public corporation only indirectly related to parliament.

The case for a national system was based on the need, in a country of such limited resources and scattered population as Canada, for concentrating all

revenue under the one authority. Only in such a way, the League showed, could an effective system of trans-Canada broadcasting be financed.

The proposals for setting up the organization were carefully worked out over a period of years and were designed to obviate political interference or community pressure and to secure efficient management with ultimate public control. It need scarcely be mentioned that the support of business men, normally opposed to public ownership, could only have been obtained in this way.

The Prime Minister with great courage and in the face of a not too sympathetic party accepted the need for nationalization but neglected the carefully worked out proposals for establishing a national radio organization. He accepted the principle but not the method. In place of the proposed corporation governed by an unsalaried board of representative citizens the Prime Minister established a paid commission directly responsible to the government. The Commission, by a curious confusion of thought, was asked both to direct and to manage.

The results have been almost tragic. Almost universal support has been turned into almost universal indifference or opposition, for the public mind generally has grown sceptical both of political interference and mismanagement.

The situation can, of course, be remedied, and the obvious government to remedy it is the government of the Prime Minister who so courageously recognized the demand for a public system but made such unfortunate mistakes in effectuating that demand.

Yours, etc.,

ALAN B. PLAUNT,
Hon. Secretary Canadian Radio League.

THE OTTAWA JOURNAL

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ABOUT A CANADIAN MONTHLY.

The Canadian Forum, a political and literary monthly published in Toronto, has changed hands. Published for the last ten years by J. M. Dent and Sons, well-known English house, the Forum is to be taken over by a group of young Canadians, hopes for a brighter future. We wish it well. What we greatly fear, however, is that unless the career of the new Forum is totally unlike that of similar publications it has more grief ahead of it than gain. We are thinking of England and the United States. In England, some fifteen or twenty years ago, they had the most talented collection of literary and political reviews published anywhere in the world. There was the Saturday Review; the Spectator; the New Statesman. Each of them was as unique and individual as the personality and point of view of any good author or artist. The old Nation was a person: a rather frigid but fine-minded person defending the old Liberal theory well and wittily in the Reform Club. The Saturday Review was another person, more cynical and perhaps more faintly vulgar even in wit and more reactionary, but also alive with wit and talent; the Spectator was another person, a bit pious and tremendously respectable. They read these sheets in a good club. They were men of the world in a good club. They were not redundant or repetitive; on the contrary, they redeemed the two-party system by cutting across it at angles representing real schools of Conservative or Liberal thought.

There are no such publications in England today. The Nation died when MASSINGHAM left it, whereupon they buried it in the Fabianism of the New Statesman. Then the Saturday Review, after numerous ups-and-downs, passed to the New Statesman, and finally passed there were distinct Liberal, Conservative, and Fabian identities, there is now no identity at all.

Nor is the story in the United States much better. The New Republic, which WILLARD STRAIGHT founded, and which HERBERT CROLY made worth-while, has declined in influence and ability, lives off a financial "angel." The Nation, once edited by OSWALD GARRISON VILLARD, exists on its departed glory. The New Outlook, resurrected two years ago under the editorship of "AL" SMITH, steadily declines. Nor is there much promise in the best of the truth is that the public, despite all of its professions, doesn't take kindly to read more about literature and philosophy and economics, it refuses to support publications devoted to such things. Therefore, while we wish well for the new Forum, our hopes for it are not of the highest.

IS THIS TRUE OF CANADA ALSO?

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